



## Wisconsin Department of Transportation

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---

Scott Walker  
Governor

Mark Gottlieb, P.E.  
Secretary

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November 14, 2014

Michael Huebsch, Secretary  
Department of Administration  
101 East Wilson Street  
Madison, Wisconsin 53702

Dear Secretary Huebsch:

I am pleased to submit for your consideration the Wisconsin Department of Transportation's 2015-17 biennial budget request. This request puts the Transportation Fund on a firm financial footing over the long term and provides a blueprint for meeting the significant needs we face across all transportation modes in all areas of the state.

This document replaces the partial request submitted on September 15, 2014. At that time, the Department was unable to submit a full budget request due to uncertainty over federal funding in the next biennium. The current surface transportation authorization, Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) had just been extended and Congress had yet to pass a FFY 15 appropriations bill. Unfortunately, a great deal of uncertainty remains:

- the federal Highway Trust Fund continues on a path toward insolvency;
- the MAP-21 extension is set to expire at the end of May 2015; and
- FFY 15 appropriations were passed in the form of a Continuing Resolution that will expire on December 11, 2014.

Despite the lack of progress in Washington, I feel the Department must now submit its budget request for consideration in the Governor's biennial budget bill.

By any measure, this request is ambitious and far reaching. Last year, Governor Walker charged me with finding a long-term solution for ensuring that our transportation system continues to support economic development in Wisconsin while also developing a sustainable way to fund it. With that charge, we reached out to people all across the state through an initiative called Transportation Moves Wisconsin to learn how the public uses and wants to improve our system. We also took input on a number of transportation funding and finance approaches. Overall, the response was outstanding.

This budget request reflects many of the priorities we heard during Transportation Moves Wisconsin meetings as well as many of the recommendations of the Wisconsin Transportation Finance and Policy Commission, which completed its work in January of 2013. Specifically, this request:

- keeps a number of critical infrastructure projects such as the Zoo Interchange, Hoan Bridge and I-94 North South on schedule;
- provides an increase in public transit funding with some targeted specifically to increase service and provide access to employment;
- provides an increase in funding starting in FY 17 for a restructured and simplified local transportation facility improvement program that will benefit local governments;
- provides additional funding for the State Highway Rehabilitation and Major Highways Development programs to improve pavement and bridge conditions as well as mobility and safety across the state truck highway system;
- establishes a sustainable base of funding for state highway maintenance and operations activities that allows the Department to maximize our past infrastructure investments;
- makes investments in Division of Motor Vehicle systems and products to enhance customer service, improve security, and reduce wait times; and
- includes a number of initiatives to enhance the Division of State Patrol's responsiveness.

States have found that they cannot rely on the federal government for new and innovative transportation funding approaches. Building on the Commission's recommendations and what we have learned from other states, this budget funds these investments using variety of revenue sources that:

- modifies the State's motor fuel tax to include a variable component based upon the wholesale price of fuel sold in Wisconsin;
- establishes a higher tax rate on diesel fuel so that heavy vehicles pay in relation to the damage they cause to roads and bridges;
- creates a Highway Use Fee based on a percentage of the manufacturer's suggested price for new vehicles in Wisconsin;
- increases the annual registration fee for hybrid and electric powered vehicles to ensure these owners continue to pay their fair share of the operating costs of our infrastructure;

Secretary Michael Huebsch  
November 14, 2014  
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- increases the use of General Fund revenues to reflect the fact that not all users of our system pay transportation user fees; and
- decreases the Department's use of debt by \$186 million compared to the current biennium.

These and other initiatives provide a balanced and logical framework for meeting our long-term needs with transparent and effective stewardship of limited resources. I look forward to working closely with you and your staff as the Governor's biennial budget recommendation is developed.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Gottlieb". The signature is stylized and cursive.

Mark Gottlieb, P.E.  
Secretary

Cc: Governor Scott Walker  
Department of Administration, Executive Budget Office  
Legislative Fiscal Bureau

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| X                               |             |   |       |               | 5102           |              |             |                   |                                      | Inflation for Elderly and Disabled County Aids      |  |                  |  |
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| X                               |             |   |       |               | 5104           |              |             |                   |                                      | Transit Capital Asst Program                        |  |                  |  |
| X                               |             |   |       |               | 5105           |              |             |                   |                                      | Supplemental Transit Expansion Program              |  |                  |  |
| X                               |             |   |       |               | 5201           |              |             |                   |                                      | FRPP SEG Appropriation                              |  |                  |  |
| X                               |             |   |       |               | 5202           |              |             |                   |                                      | Local Transportation Facilities Improvement Program |  |                  |  |
| X                               |             |   |       |               | 5203           |              |             |                   |                                      | TEA Modifications                                   |  |                  |  |
| X                               |             |   |       |               | 5301           |              |             |                   |                                      | SE WI Freeway Megaprojects                          |  |                  |  |
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| X                               |             |   |       |               | 5306           |              |             |                   |                                      | Traffic System Management and Operations Funding    |  |                  |  |
| X                               |             |   |       |               | 5307           |              |             |                   |                                      | Highway Maintenance and Winter Funding              |  |                  |  |
| X                               |             |   |       |               | 5308           |              |             |                   |                                      | State Lift Bridge Funding                           |  |                  |  |
| X                               |             |   |       |               | 5401           |              |             |                   |                                      | Transit Safety Oversight Funding                    |  |                  |  |
| X                               |             |   |       |               | 5402           |              |             |                   |                                      | Capital Building Operational Costs                  |  |                  |  |
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| X                               |             |   |       |               | 5405           |              |             |                   |                                      | MIS Train Station Operations                        |  |                  |  |
| X                               |             |   |       |               | 5406           |              |             |                   |                                      | Capital Budget Bonding                              |  |                  |  |
| X                               |             |   |       |               | 5407           |              |             |                   |                                      | DOT Fleet Costs                                     |  |                  |  |

\* B-2 line number (11 through 16) for other major cost description and expenditure line for allotment purposes.



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| C          | r | r   | D | Prog. | Num.  | Alpha | L | In            | TITLE   | DEBT        | State,  | Fd | GPR, | Fed,    | Apprn |
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| t          | w | t   |   |       |       |       | n | c             |   |             | Aids    |    | SEG, | Local   | (A,B, |
|            |   |   |   |       |       |       | e | t             |   |             | (S,L,A) |    | BR   | (F,S,L) | C,S)  |
|            | X |   |   | 01    | 17    | ba    |   |               | Supplemental transit expansion program, state funds                   |             | L       | 02 | GPR  |         | C     |
|            | X |   |   | 01    | 10    | ha    |   |               | Tier A-1 transit operating aids, state funds                          |             | L       | 02 | GPR  |         | C     |
|            | X |   |   | 01    | 11    | hb    |   |               | Tier A-2 transit operating aids, state funds                          |             | L       | 02 | GPR  |         | C     |
|            | X |   |   | 01    | 12    | hc    |   |               | Tier A-3 transit operating aids, state funds                          |             | L       | 02 | GPR  |         | C     |
|            | X |   |   | 01    | 13    | hd    |   |               | Tier B transit operating aids, state funds                            |             | L       | 02 | GPR  |         | C     |
|            | X |   |   | 01    | 14    | he    |   |               | Tier C transit operating aids, state funds                            |             | L       | 02 | GPR  |         | C     |
|            | X |   |   | 01    | 15    | hf    |   |               | Transit capital assistance program, state funds                       |             | L       | 02 | GPR  |         | C     |
|            | X |   |   | 02    | 93    | bt    |   |               | Freight rail preservation program, state funds                        |             | A       | 11 | SEG  |         | C     |
|            | X |   |   | 02    | 44    | cg    |   |               | Advertising revenue - state-owned passenger railway stations , st fds |             | S       | 02 | PR   |         | C     |
|            | X |   |   | 02    | 28    | Ls    |   |               | Local transpr facilities improvement program, state funds             |             | L       | 11 | SEG  |         | C     |
|            | X |   |   | 02    | 29    | Lv    |   |               | Local transpr facilities improvement program, local funds             |             | L       | 11 | SEG  | L       | C     |
|            | X |   |   | 02    | 30    | Lx    |   |               | Local transpr facilities improvement program, federal funds           |             | L       | 11 | SEG  | F       | C     |
|            | X |   |   | 03    | 91    | ar    |   |               | Southeast Wisconsin freeway megaprojects, service funds               |             | S       | 11 | SEG  | S       | C     |
|            | X |   |   | 04    | 60    | as    |   |               | Transit safety oversight, state funds                                 |             | S       | 11 | SEG  |         | C     |
|            | X |   |   | 04    | 82    | ay    |   |               | Transit safety oversight, federal funds                               |             | S       | 11 | SEG  | F       | C     |
|            |   |   |   |       |       |       |   |               |   |             |         |    |      |         |       |
|            | X |   |   | 03    | 52    | et    |   |               | Traffic system management and operations, state funds                 |             | S       | 11 | SEG  |         | C     |
|            | X |   |   | 03    | 54    | eu    |   |               | Traffic system management and operations, local funds                 |             | S       | 11 | SEG  | L       | C     |
|            | X |   |   | 03    | 56    | ez    |   |               | Traffic system management and operations, federal funds               |             | S       | 11 | SEG  | F       | C     |
|            |   |   |   |       |       |       |   |               |   |             |         |    |      |         |       |
|            |   | X   |   | 03    | 95    | bx    |   |               | Major highway development, federal stimulus funds                     |             | S       | 11 | SEG  | F       | C     |
|            |   | X   |   | 03    | 90    | cx    |   |               | State highway rehabilitation, federal stimulus suballocations funds   |             | S       | 11 | SEG  | F       | C     |
|            |   | X   |   | 03    | 97    | cx    |   |               | State highway rehabilitation, federal stimulus funds                  |             | S       | 11 | SEG  | F       | C     |
|            |   | X   |   | 03    | 96    | cy    |   |               | Southeast Wisconsin freeway rehabilitation, federal stimulus funds    |             | S       | 11 | SEG  | F       | C     |

| <b>BUDGET NARRATIVE FORM</b>                       |            |                                     |               |
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| SUB-PROGRAM NARRATIVE                              |            |                                     |               |
| <b>-NOT FOR USE WITH DECISION ITEM NARRATIVES-</b> |            |                                     |               |

Chapter 75, Laws of 1967, brought together into a new Department of Transportation the Aeronautics Commission, the State Highway Commission and the Motor Vehicle Department. Chapter 29, Laws of 1977, abolished the Highway Commission and transferred its authority to the Secretary. Effective with the 1979-81 biennial budget, the Governor's Office of Highway Safety was incorporated into the Department, its staff being placed in various bureaus and offices.

The Department of Transportation is responsible for the planning, promotion and protection of all transportation systems within the state. The Department's major responsibilities include state highways, motor vehicles, traffic law enforcement, railroads, waterways, public transit, and aeronautics. The Department works with federal agencies to administer federal transportation funds. It also cooperates with other state agencies in areas such as travel promotion, consumer protection, environmental analysis, and transportation services for elderly and disabled persons.

The powers and duties of the Department are specified in state statutes. Under the direction of the Secretary, these responsibilities are carried out by five divisions:

1. Division of Transportation Investment Management -- The division guides the use of state and federal transportation dollars through coordinated data collection, transportation systems planning, economic and investment analysis, development of multi-modal investment plans and strategies, and administration of programs assisting local roads, transit services, bicycle and pedestrian travel. It also provides uniform statewide direction in project planning, design, construction, and operation of airports, railroads and harbors.

| <b>BUDGET NARRATIVE FORM</b>                       |                       |            |                                     |               |
|--|-----------------------|------------|-------------------------------------|---------------|
|  | AGENCY NARRATIVE      | Codes      | Titles                              | Page          |
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|  | PROGRAM NARRATIVE     |            |                                     |               |
|  | SUB-PROGRAM NARRATIVE |            |                                     |               |
| <b>-NOT FOR USE WITH DECISION ITEM NARRATIVES-</b> |                       |            |                                     |               |

2. Division of Transportation System Development -- The division provides uniform statewide direction in the planning, design, construction, and operation of the State Trunk Highway system. In each of the Department's five regions, the division works with local governments and stakeholders to identify transportation needs. It also delivers the state highway program by building and maintaining highways and coordinates with the Division of Transportation Investment Management in establishing program policies and budgets.
3. Division of Motor Vehicles -- The division administers the registration and licensing of vehicles and operators, the regulation of motor vehicle dealers, the permitting for safe movement of property, and the vehicle emissions inspection maintenance program.
4. Division of State Patrol -- The division is responsible for: enforcing state traffic, criminal, and motor carrier laws; assisting motorists; inspecting school buses, commercial motor vehicles, and ambulances for safety; and managing federal grants for highway safety programs.
5. Division of Business Management -- The division provides personnel management, accounting, general operations, and data processing services for all divisions.

The offices of General Counsel, Public Affairs, and Policy, Finance and Improvement provide administrative, legal, budget and policy development, and financial management services to the Secretary's Office and the Department.

# **DEPARTMENT OF TRANSPORTATION**

## **AGENCY DESCRIPTION**

The Department is responsible for the planning, promotion and protection of transportation systems in the state. The Department's major responsibilities include state highways, motor vehicle regulation, traffic law enforcement, railroads, harbors and water transport, transit and aeronautics. The powers and duties of the Department are specified in state statutes. The Department is headed by a Secretary who is appointed by the Governor with the advice and consent of the Senate. Under the direction of the Secretary, these responsibilities are carried out by five divisions and four executive offices.

## **MISSION**

The Department's mission is to provide leadership in the development and operation of a safe and efficient transportation system. The vision of the Department calls for dedicated people creating transportation solutions through innovation and exceptional service.

## PERFORMANCE IMPROVEMENT INITIATIVE – MAPSS

The MAPSS Performance Improvement Program supports the Department of Transportation's mission through a comprehensive set of performance measures focused on progress in five core strategic goal areas within the agency:

- **Mobility:** delivering transportation choices that result in efficient trips and no unexpected delays;
- **Accountability:** the continuous effort to use public dollars in the most efficient and cost-effective way;
- **Preservation:** protecting, maintaining and operating Wisconsin's transportation system efficiently by making sound investments that preserve and extend the life of our infrastructure, while protecting our natural environment;
- **Safety:** moving toward minimizing the number of deaths, injuries and crashes on our roadways; and
- **Service:** high quality and accurate products and services delivered in a timely fashion by a professional and proactive workforce.

The MAPSS Performance Improvement program includes Scorecard measures identified as of highest interest to the public, legislators and transportation stakeholders for showing responsible stewardship of transportation funds and demonstrating the performance of the state's transportation network. The MAPSS program also includes other strategic and operational measures to support department programs to improve overall performance.

Each quarter, business areas provide key updates indicating how individual measures are trending and whether the Department is meeting established targets. The Department publishes the results quarterly in a Dashboard snapshot, narrative summary and web-based infographics.

Strategic initiatives, including the "Lean Government Initiative" are helping the Department move its performance metrics in the right direction by providing a tool for improving performance that will ultimately result in ongoing progress toward MAPSS performance measurement targets.

The Department is actively employing Lean Six Sigma tools to systematically identify opportunities to improve processes in MAPSS core goal and enterprise project goal areas. Starting in July 2012, the Department analyzed a set of Lean Government demonstration projects focused on visible, "mission critical" tasks with a high probability for measurable gains. There are metrics associated with each project to quantify improvements. The Department reports annually to the Governor's Office on progress toward achieving the objectives of this initiative.

Biennial budget performance measures represent another mechanism to show transparency and accountability for the Department's performance. In many cases these measures are included in the MAPSS Scorecard and other reported MAPSS strategic or operational measures. They also pre-date, but are consistent with the statewide and department performance measures. In an effort to harmonize the biennial budget performance measures with those of MAPSS, the Department will "retire" five biennial budget measures for the 2015-17 biennial budget and replace them with four related MAPSS measures and three new MAPSS measures. Overall, the Department's performance measurement system, including Lean, MAPSS core goal areas and measures and biennial budget measures should be viewed as a nested set of metrics intended to demonstrate the performance of the Department in meeting its mission "to provide leadership in the development and operation of a safe and efficient transportation system."

October 2014

# Wisconsin Department of Transportation MAPSS Performance Scorecard

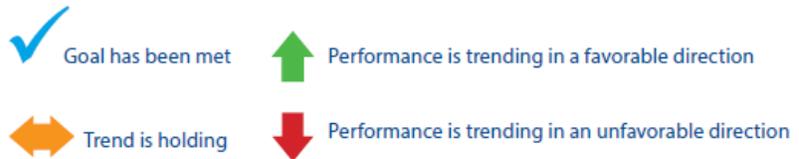


Goal has been met    
 Performance is trending in a favorable direction    
 Trend is holding    
 Performance is trending in an unfavorable direction

| Performance measure  | How we measure it  | Current report period                         | Goal  | Goal met | Trend | Comments   |
|--|--|---|---|----------|-------|--|
| <b>Mobility: Delivering transportation choices that result in efficient trips and no unexpected delays.</b>      |  |   |   |          |       |  |
| Delay (hours of vehicle delay) <b>Seasonal quarter Summer 2014</b>   | Number of hours spent in interstate traffic below posted speed                               | <b>2,069,912 hrs.</b>                         | Reduced hours of delay  |          |       | Vehicle delay hours decreased compared to the summer quarter of 2013 (a lower number is better). WisDOT continues to deploy traffic management strategies to reduce delay.                                       |
| Reliability (planning time index) <b>Seasonal quarter Summer 2014</b>  | Index based on extreme travel time in a period   | <b>1.14</b>                                   | More on time arrival  |          |       | The number of corridors with reliable travel time decreased compared to last season quarter. Managing delays and congestion helps to keep the trip times more reliable (a lower value is better).                |
| Transit availability <b>Calendar year 2013</b>   | Percent of population served by transit  | <b>54.0</b>                                   | 75.0  |          |       | Economic factors affecting this measure include rate of inflation in relation to funding.  |
| Bicycle accommodation <b>Calendar year 2013</b>  | Percent of state highway miles with safe bicycle accommodation                               | <b>67.2</b>                                   | 100 percent, except where prohibited                            |          |       | State highway traffic volumes increased which resulted in a net loss of safe bicycle accommodations.   |
| Incident response <b>Calendar year 2013</b>  | Average time to clear full closures on the interstate  | <b>4 hrs. 22 min.</b>                         | Decrease response time by 5 percent compared to the prior year. |          |       | Severe weather events with multi-car incidents are the largest factor impacting this measure. The department continues to partner with first responders and public safety officials to identify ways to improve. |
| Winter response <b>State fiscal year 2014</b>  | Percent to bare-wet within a specific time period after a storm                              | <b>59 for 18-hr roads; 66 for 24-hr roads</b> | 70.0 within specified time                                      |          |       | The winter severity index was extremely high. Numerous storms and long periods of cold temperatures made salt much less effective.   |
| <b>Accountability: The continuous effort to use public dollars in the most efficient and cost-effective way.</b> |  |   |   |          |       |  |
| Transportation Economic Assistance Grants <b>Calendar year-to-date 2014</b>                                      | Capital dollars leveraged per grant dollar provided  | <b>\$60.09</b>                                | \$50.00   |          |       | In the third quarter of 2014, the department leveraged over \$60 in capital investments for every \$1 in grant funds due to private capital investments that resulted in significant job creation and retention. |
| Timely scheduling of contracts <b>State fiscal year 2014</b>   | Percent of highway program funding scheduled during the first six months of each fiscal year | <b>64.5</b>                                   | 60.0  |          |       | DOT has made improvements to ensure our processes allow sufficient time for effective resource planning and competitive bidding. A new goal of 54 percent will be established in SFY 2015.                       |
| On-time performance <b>Calendar year 2013</b>  | Percent of highway projects completed on-time  | <b>96.1</b>                                   | 100.0   |          |       | Construction administration staff has stepped up efforts with project communication to head off problems and keep and keep projects on-time.   |
| On-budget performance <b>State fiscal year 2013</b>  | Final highway project cost as percent of original contract amount                            | <b>102.7</b>                                  | 100.0   |          |       | Costs are impacted by quality and completeness of project designs, field conditions, weather and contract oversight (a lower number is better).  |
| Surplus property management <b>State fiscal year-to-date 2015</b>  | Dollar value of surplus land sold  | <b>\$1.72 mil.</b>                            | \$2.75 mil.   |          |       | The surplus land sales measure is on track to meet the FY 2015 sales goal. Fifteen parcels were sold in the 1st quarter.   |

The Wisconsin Department of Transportation MAPSS Performance Scorecard reviews five key goals and over-arching performance measures that guide us in achieving our mission "to provide leadership in the development and operation of a safe and efficient transportation system." Establishing goals and measuring results is essential to running a successful organization and meeting public expectations.

For more information on MAPSS, visit [www.mapss.wi.gov](http://www.mapss.wi.gov)



| Performance measure | How we measure it | Current report period | Goal | Goal met | Trend | Comments |
|---------------------|-------------------|-----------------------|------|----------|-------|----------|
|---------------------|-------------------|-----------------------|------|----------|-------|----------|

**Preservation:** Protecting, maintaining and operating Wisconsin's transportation system efficiently by making sound investments that preserve and extend the life of our infrastructure, while protecting our natural environment.

|  |   |           |          |   |   |   |
|--|---|-----------|----------|---|---|---|
| State highway pavement condition<br>Calendar year 2013 | Percent of state highway pavement rated fair or above                   | 87.2      | 90.0     |   | ↓ | Pavement condition data provides a barometer of system condition trends.  |
| State bridge condition<br>Calendar year 2013           | Percent of state bridges rated fair or above                            | 96.8      | 95.0     | ✓ | ↔ | State bridge conditions are holding steady and exceeding the goal.  |
| State-owned rail line condition<br>Calendar year 2013  | Percent of state-owned rail line meeting FRA Class 2 Standard (>10 MPH) | 56.2      | 100.0    |   | ↔ | The department has a number of projects that started in 2013 but will not be completed in 2014.                                       |
| Airport pavement condition<br>Calendar year 2013       | Percent of airport pavement rated fair or above                         | 88.0      | 90.0     |   | ↓ | There was a 2 percent decrease compared to last year as a result of a change in calculation methodology.                              |
| State highway maintenance<br>Calendar year 2013        | Grade point average for the maintenance condition of state highways     | 2.57      | 3.0      |   | ↑ | Conditions improved slightly in 2013, with routine maintenance agreements and improvement projects funding highway maintenance needs. |
| Material recycling<br>State fiscal year 2013           | Tons of recycled materials used in projects                             | 1.89 mil. | 2.0 mil. |   | ↓ | The department is committed to the recycling effort and continues to research materials and methods to expand the recycling program.  |

**Safety:** Moving toward minimizing the number of deaths, injuries and crashes on our roadways.

|  |  |        |  |   |   |  |
|--|--|--------|--|---|---|--|
| Traffic fatalities<br>Calendar year-to-date 2014 (Preliminary) | Number of traffic fatalities                     | 369    | Third quarter target is 400<br>Annual target is 531        | ✓ | ↑ | As of September 30th, there have been 369 fatalities in 2014. Our long-term goal is zero preventable deaths (a lower number is better).                                  |
| Traffic injuries<br>Calendar year-to-date 2014 (Preliminary)   | Number of traffic injuries                       | 26,775 | Third quarter target is 28,476<br>Annual target is 38,354  | ✓ | ↑ | This statistic was changed from a rate to a number because of the delay in receiving the vehicle miles traveled for the measurement period (a lower number is better).   |
| Traffic crashes<br>Calendar year-to-date 2014 (Preliminary)    | Number of traffic crashes                        | 77,219 | Third quarter target is 73,510<br>Annual target is 106,201 |   | ↔ | This statistic was changed from a rate to a number because of the delay in receiving the vehicle miles traveled for the measurement period (a lower number is better).   |
| Seat belt use<br>Calendar year 2014                            | Percent of vehicle occupants wearing a seat belt | 84.7   | 86.0 by 2016   |   | ↑ | While Wisconsin's seat belt usage reached an all-time high in 2014, we lag behind neighboring states like Illinois and Michigan, with use rates of more than 90 percent. |

**Service:** High quality and accurate products and services delivered in a timely fashion by a professional and proactive workforce.

|   |  |           |                            |   |   |   |
|---|--|-----------|----------------------------|---|---|---|
| DMV wait times<br>Calendar year-to-date 2014                          | Percent of DMV service center customers served within 20 minutes | 84.0      | 80.0                       | ✓ | ↔ | The DMV has begun piloting self-service kiosks and Saturday hours to continue improving this measure.   |
| DMV electronic services<br>Calendar year 2013                         | Number of DMV electronic service transactions                    | 4.77 mil. | Annual target is 3.96 mil. | ✓ | ↑ | There was a 22.7 percent increase in electronic services between 2012 and 2013.   |
| DMV driver license road test scheduling<br>Calendar year-to-date 2014 | Available tests as a percent of estimated demand                 | 98        | 90.0                       | ✓ | ↔ | The DMV has continued to meet its target for this measure and has taken steps to improve the forecasting formula for 2015.  |
| DMV phone service<br>Calendar year-to-date 2014                       | Percent of DMV phone calls answered within two minutes           | 72.4      | 80.0                       |   | ↔ | While this measure remained constant during the busier summer months, the DMV anticipates improvement as performance typically improves during the final quarter. |

## PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

### Program 1: Aids

Goal: Provide direct aid to counties and municipalities to assist them with transportation-related activities.

Objective/Activity: Assist in maintaining public transit systems in compliance with Department cost-efficiency standards.

### Program 2: Local Transportation Assistance

Goal: Provide financial assistance to maintain a safe and efficient transportation system and maximize the economic development impacts of this assistance.

Objective/Activity: Reduce the percentage of local bridges that are deficient. Note: for the 2015-17 biennial budget, the Department will retire this object/activity and corresponding performance measure and replace it with a new object/activity and performance measure.

Objective/Activity: Increase the average annual ridership of the state-supported railroad passenger service between Milwaukee and Chicago.

### Program 3: State Highway Facilities

Goal: Develop, rehabilitate and preserve Wisconsin's state trunk highway system in a cost-effective manner through the use of tested techniques to ensure roads and bridges continue providing quality service.

Objective/Activity: Decrease the average annual international roughness index (IRI) value for the state highway system and reduce the average annual pavement condition index (PCI) value for the state highway system. Note: for the 2015-17 biennial budget, the Department will retire this object/activity and corresponding performance measure and replace it with a new objective/activity and performance measure.

Objective/Activity: Continue to improve construction and design efficiency as measured by the department's design on time index (DTI), engineering estimate accuracy (EEA) and product quality index (PQI). EEA has replaced the Design on Budget Index (DBI) measure that was used in previous years. The data provided by EEA gives a more complete and accurate reflection of how accurate the Department's early construction cost estimates are when compared to the actual project costs. Note: for the 2015-17 biennial budget, the Department will retire this object/activity and corresponding performance measure and replace it with a new objective/activity and performance measure.

New Object/Activity: Continue to maintain the percent of state-owned or maintained bridges rated in fair condition or better.

New Object/Activity: Increase the percentage of state highway pavements rated fair or above.

New Object/Activity: Increase the percentage of highway projects completed on time.

New Object/Activity: Reduce vehicle delay.

New Object/Activity: Improve reliability of vehicle trips.

#### **Program 4: General Transportation Operations**

Goal: Efficiently administer Wisconsin's state transportation programs.

Objective/Activity: Increase on-the-job safety and reduce the rate of on-the-job injuries in the Department.

#### **Program 5: Motor Vehicle Services and Enforcement**

Goal: Effective enforcement of traffic safety and vehicle registration laws, and efficient provision of motor vehicle services.

Objective/Activity: Reduce the rate of fatalities to vehicle miles traveled in truck-related crashes.

Objective/Activity: Continue to improve customer satisfaction with the services and products of the Division of Motor Vehicles (DMV). Note: for the 2015-17 biennial budget, the Department will retire this object/activity and corresponding performance measure and replace it with a new objective/activity and performance measure.

Objective/Activity: Continue to improve cost-effectiveness of the DMV's products and services. Note: for the 2015-17 biennial budget, the Department will retire this object/activity and corresponding performance measure and replace it with a new objective/activity and performance measure.

New Object/Activity: Improve DMV service center wait times.

New Object/Activity: Improve DMV phone service.

## PERFORMANCE MEASURES

### 2013 AND 2014 GOALS AND ACTUALS

| Prog. No. | Performance Measure  | Goal 2013                                 | Actual 2013  | Goal 2014                                 | Actual 2014                       |
|-----------|--|---|--|---|-----------------------------------|
| 1.        | Number of public transit systems out of compliance with department cost-efficiency standards.  | 0   | 3 of 77 public transit systems   | 0   | Not available at this time        |
| 2.        | Annual ridership of the state-supported railroad passenger service between Milwaukee and Chicago. <sup>1</sup>   | 3% increase                               | 3.1% decrease <sup>2</sup>   | 3% increase                               | 3.6% increase                     |
| 2.        | Percentage of deficient local bridges. <sup>3</sup>  | Maintain level of 15% – 20%               | 11.5% are either functionally obsolete, structurally deficient or both | Maintain level of 15% – 20%               | Not available at this time        |
| 3.        | Average annual international roughness index (IRI) and pavement condition index (PCI) values.  | Maintain existing system condition levels | 1.731 IRI<br>78.1 PCI  | Maintain existing system condition levels | Not available at this time        |
| 3.        | Average annual scores of indices measuring construction and design efficiency. <sup>1, 4</sup>   | DTI 90%<br>EEA 50%<br>DQI 80%             | DTI 79.0%<br>EEA 45%<br>DQI 80.1%                                      | DTI 90%<br>EEA 50%<br>DQI 80%             | DTI 80.4%<br>EEA 48%<br>DQI 81.7% |
| 4.        | Injury incident rate (IIR) per 100 department workers, and lost time and hazardous duty incident rate (LTHR) per 100 (selected) department workers. <sup>1</sup> | 3.01 IIR<br>0.99 LTHR                     | 4.37 IIR<br>1.04 LTHR  | 3.00 IIR<br>0.98 LTHR                     | Not available at this time        |
| 5.        | Rate of fatalities in truck-related crashes per 100 million vehicle miles traveled. <sup>5</sup>   | .150                                      | Not available at this time   | Goals set annually                        | Not available at this time        |
| 5.        | Customer satisfaction index (CSI) aggregate score for the Division of Motor Vehicles.  | 8.0                                       | 7.0  | 8.0                                       | 7.6                               |
| 5.        | Number of Division of Motor Vehicles' products issued per hour. <sup>6</sup>   | 9.1                                       | 9.2  | 9.1                                       | 8.3                               |

Note: Based on calendar year.

<sup>1</sup>Based on fiscal year.

<sup>2</sup>For the second half of 2013, Amtrak changed the rider counting methodology to a more accurate real-time lift for all ticket types. Previously Amtrak had used an estimation for multi-ride tickets resulting in an overstatement of ridership. While ridership decrease is shown for 2013, actual ridership may not have decreased. Amtrak provided an adjusted comparison between 2013-2014 to reflect the more accurate rider counts in 2014 by adjusting down the 2013 number. Using this method, ridership increased in 2014.

<sup>3</sup>Based on data available April 1.

<sup>4</sup>The indices are design on time index (DTI), engineering estimate accuracy (EEA) and design quality index (DQI).

<sup>5</sup>Beginning in 2011, this measure was modified to reflect the rate of fatalities in truck-related crashes per 100 million vehicle miles traveled to conform to FMCSA national reporting standards.

<sup>6</sup>Products issued per employee work hour.

## 2015, 2016 AND 2017 GOALS

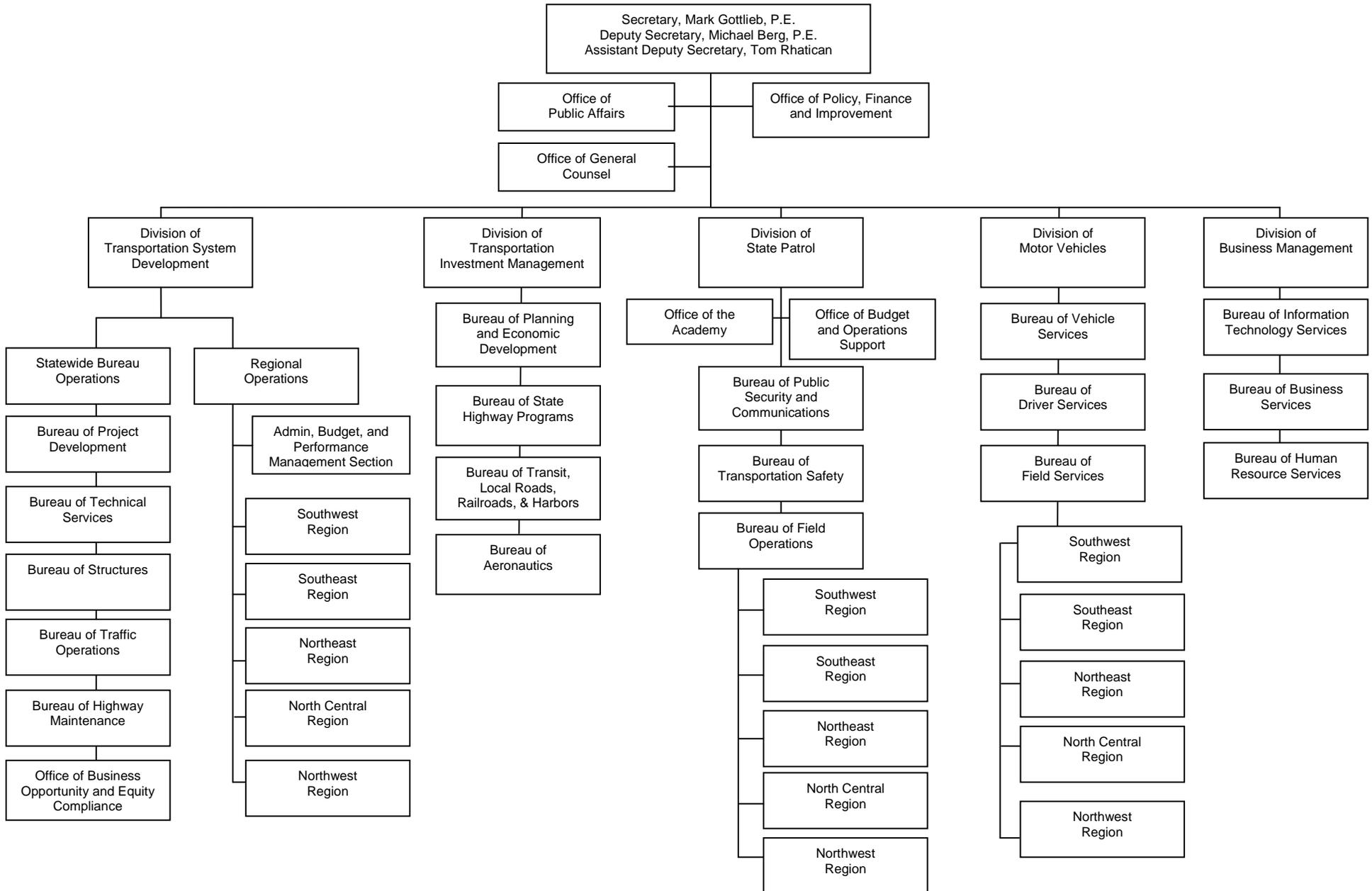
| Prog. No. | Performance Measure   | Goal 2015  | Goal 2016               | Goal 2017               |
|-----------|---|--|-------------------------|-------------------------|
| 1.        | Number of public transit systems out of compliance with department cost-efficiency standards.   | 0  | 0                       | 0                       |
| 2.        | Annual ridership of the state-supported railroad passenger service between Milwaukee and Chicago. <sup>1</sup>  | 3% increase  | 3% increase             | 3% increase             |
| 3.        | Percent of state bridges rated fair or above.   | 95% and above  | 95% and above           | 95% and above           |
| 3.        | Percent of state highway pavement rated fair or above.  | 90% rated fair or above  | 90% rated fair or above | 90% rated fair or above |
| 3.        | Percent of highway projects completed on time.  | 100%   | 100%                    | 100%                    |
| 3         | Delay (hours of vehicle delay)  | Reduce hours of delay on a corridor basis from same quarter in 2014. | Goals set annually      | Goals set annually      |
| 3         | Reliability (planning time index)   | Decrease planning time index from same quarter in 2014               | Goals set annually      | Goals set annually      |
| 4.        | Injury incident rate (IIR) per 100 department workers, and lost time and hazardous duty incident rate (LTHR) per 100 (selected) department workers <sup>1</sup> | 2.99 IIR<br>0.97 LTHR  | 2.98 IRR<br>0.96 LTHR   | 2.97 IIR<br>0.95 LTHR   |
| 5.        | Rate of fatalities in truck-related crashes per 100 million vehicle miles traveled <sup>2</sup>   | 0.144  | Goals set annually      | Goals set annually      |
| 5.        | Percent of Division of Motor Vehicles' customers served within 20 minutes   | 80%  | 80%                     | 80%                     |
| 5.        | Percent of Division of Motor Vehicles' customer calls answered within two minutes   | 80%  | 80%                     | 80%                     |

Notes: Based on calendar year.

<sup>1</sup>Based on fiscal year.

<sup>2</sup>Replaces measure of fatalities in truck-related crashes per 100 million truck vehicle miles traveled in order to conform to FMCSA national reporting standards.

# Wisconsin Department of Transportation



| No.<br>395               | DEPARTMENT NAME<br>Department of Transportation |                       |                      |                      |                                  |                      |                            |                           |
|--------------------------|---|-----------------------|----------------------|----------------------|----------------------------------|----------------------|----------------------------|---------------------------|
| ANNUAL SUMMARY           |   |                       |                      |                      | BIENNIAL SUMMARY                 |                      |                            |                           |
| SOURCE OF FUNDS          | PRIOR YEAR<br>ACTUAL                            | ADJUSTED<br>BASE YEAR | AGENCY REQUEST       |                      | BASE<br>YEAR<br>DOUBLED<br>(BYD) | BIENNIAL<br>REQUEST  | CHANGE<br>FROM<br>BYD (\$) | CHANGE<br>FROM<br>BYD (%) |
|                          |   |                       | 1st YEAR             | 2nd YEAR             |                                  |                      |                            |                           |
| General Purpose Revenue  | 173,770,751                                     | 136,280,600           | 266,999,300          | 281,364,200          | 272,561,200                      | 548,363,500          | 275,802,300                | 101.19%                   |
| State Operations         | 173,770,751                                     | 136,280,600           | 136,280,600          | 136,280,600          | 272,561,200                      | 272,561,200          | 0                          | 0.00%                     |
| Local Assistance         | 0   | 0                     | 130,718,700          | 145,083,600          | 0                                | 275,802,300          | 275,802,300                | 0.00%                     |
| Aids to Ind. & Org.      | 0   | 0                     | 0                    | 0                    | 0                                | 0                    | 0                          | 0.00%                     |
| Position FTE (1)         | 0.00  | 0.00                  | 0.00                 | 0.00                 |                                  |                      |                            |                           |
| Federal Revenue (2)      | 758,562,551                                     | 840,469,400           | 827,641,400          | 827,478,000          | 1,680,938,800                    | 1,655,119,400        | (25,819,400)               | -1.54%                    |
| State Operations         | 586,264,542                                     | 618,290,800           | 617,770,800          | 709,255,000          | 1,236,581,600                    | 1,327,025,800        | 90,444,200                 | 7.31%                     |
| Local Assistance         | 166,638,547                                     | 217,386,800           | 202,723,000          | 111,075,400          | 434,773,600                      | 313,798,400          | (120,975,200)              | -27.82%                   |
| Aids to Ind. & Org.      | 5,659,462                                       | 4,791,800             | 7,147,600            | 7,147,600            | 9,583,600                        | 14,295,200           | 4,711,600                  | 49.16%                    |
| Position FTE (1)         | 840.30  | 833.52                | 832.52               | 827.52               |                                  |                      |                            |                           |
| Program Revenue (3)      | 11,319,659                                      | 5,676,000             | 6,047,400            | 6,047,400            | 11,352,000                       | 12,094,800           | 742,800                    | 6.54%                     |
| State Operations         | 10,008,675                                      | 5,428,500             | 5,799,900            | 5,799,900            | 10,857,000                       | 11,599,800           | 742,800                    | 6.84%                     |
| Local Assistance         | 1,042,432                                       | 0                     | 0                    | 0                    | 0                                | 0                    | 0                          | 0.00%                     |
| Aids to Ind. & Org.      | 268,553   | 247,500               | 247,500              | 247,500              | 495,000                          | 495,000              | 0                          | 0.00%                     |
| Position FTE (1)         | 19.00   | 19.00                 | 19.00                | 19.00                |                                  |                      |                            |                           |
| Segregated Revenue (4)   | 2,231,096,383                                   | 2,034,125,900         | 2,548,437,700        | 2,599,237,300        | 4,068,251,800                    | 5,147,675,000        | 1,079,423,200              | 26.53%                    |
| State Operations         | 1,547,031,730                                   | 1,314,185,600         | 1,924,668,100        | 1,843,673,300        | 2,628,371,200                    | 3,768,341,400        | 1,139,970,200              | 43.37%                    |
| Local Assistance         | 659,198,555                                     | 700,738,400           | 602,567,700          | 734,362,100          | 1,401,476,800                    | 1,336,929,800        | (64,547,000)               | -4.61%                    |
| Aids to Ind. & Org.      | 24,866,097                                      | 19,201,900            | 21,201,900           | 21,201,900           | 38,403,800                       | 42,403,800           | 4,000,000                  | 10.42%                    |
| Position FTE (1)         | 2,663.75  | 2,659.52              | 2,659.52             | 2,659.52             |                                  |                      |                            |                           |
| <b>TOTAL</b>             | <b>3,174,749,343</b>                            | <b>3,016,551,900</b>  | <b>3,649,125,800</b> | <b>3,714,126,900</b> | <b>6,033,103,800</b>             | <b>7,363,252,700</b> | <b>1,330,148,900</b>       | <b>22.05%</b>             |
| State Operations         | 2,317,075,698                                   | 2,074,185,500         | 2,684,519,400        | 2,695,008,800        | 4,148,371,000                    | 5,379,528,200        | 1,231,157,200              | 29.68%                    |
| Local Assistance         | 826,879,534                                     | 918,125,200           | 936,009,400          | 990,521,100          | 1,836,250,400                    | 1,926,530,500        | 90,280,100                 | 4.92%                     |
| Aids to Ind. & Org.      | 30,794,112                                      | 24,241,200            | 28,597,000           | 28,597,000           | 48,482,400                       | 57,194,000           | 8,711,600                  | 17.97%                    |
| Position FTE (1)         | 3,523.05  | 3,512.04              | 3,511.04             | 3,506.04             |                                  |                      |                            |                           |
| Gen. Purpose Rev. Earned |   |                       |                      |                      |                                  |                      |                            |                           |

1. Includes Permanent and Project Positions
2. Includes Program Revenue Federal and Segregated Revenue Federal
3. Includes Program Revenue Service
4. Includes Segregated Revenue Service and Segregated Revenue Local

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |   | CODES                | TITLES                       |                      |                      |           | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>1</u> |
|---|---|----------------------|------------------------------|----------------------|----------------------|-----------|--|
|   |   | 395                  | Department of Transportation |                      |                      |           |  |
|   |   | 11                   | Transportation Fund          |                      |                      |           |  |
|   |   | SEG                  | Segregated Revenues          |                      |                      |           |  |
|   |   |                      |                              |                      |                      |           |  |
|   | REVENUE AND EXPENDITURES                      | PRIOR YEAR<br>ACTUAL | BASE YEAR<br>ESTIMATE        | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE |  |
|   | 01 <b>OPENING BALANCE (PR OR SEG)</b>         | 116,955,760          | 1,042,400                    | 12,000,000           | 6,384,100            |           |  |
|   | 02 <b>GPR-EARNED OR PROGRAM REVENUES</b>      |                      |                              |                      |                      |           |  |
|   | 03 <b>Lapses of Apprns of Prior Years</b>     | 3,584,612            | N/A                          | N/A                  | N/A                  |           |  |
|   | 04 <b>General Transportation Revenues</b>     |                      |                              |                      |                      |           |  |
|   | 05 Motor Fuel Tax                             | 999,418,114          | 1,012,783,600                | 1,170,259,100        | 1,236,059,100        |           |  |
|   | 06 Vehicle Registration Fees                  | 657,698,682          | 651,468,000                  | 829,663,500          | 895,441,100          |           |  |
|   | 06a (Less Revenue Bonds)                      | (215,378,899)        | (236,978,700)                | (249,414,200)        | (273,452,800)        |           |  |
|   | 07 General Fund Taxes                         | 35,127,000           | 36,293,900                   | 146,967,900          | 150,860,800          |           |  |
|   | 08 Drivers License Fees                       | 39,240,773           | 38,784,900                   | 38,342,900           | 37,914,200           |           |  |
|   | 08a (Less Revenue Bonds)                      | (8,000)              | 0                            | 0                    | 0                    |           |  |
|   | 09 Other Motor Vehicle Fees                   | 23,800,274           | 25,923,500                   | 26,100,800           | 26,281,700           |           |  |
|   | 09a (Less Revenue Bonds)                      | (167,076)            | 0                            | 0                    | 0                    |           |  |
|   | 10 Aeronautical Taxes, Fees, & Fuel           | 9,300,426            | 8,313,100                    | 8,140,400            | 8,341,600            |           |  |
|   | 11 Railroad Revenue                           | 31,348,931           | 31,035,900                   | 31,448,400           | 31,585,900           |           |  |
|   | 12 Motor Carrier Fees                         | 2,359,440            | 2,427,300                    | 2,427,300            | 2,427,300            |           |  |
|   | 13 Investment Earnings                        | (479,713)            | (493,900)                    | 0                    | 0                    |           |  |
|   | 14 Misc. Department Revenues                  | 44,211,622           | 185,077,400                  | 52,936,800           | 55,110,300           |           |  |
|   | 14a (Less Revenue Bonds)                      | (210,887)            | 0                            | 0                    | 0                    |           |  |
|   | 16 <b>TOTAL REVENUE</b>                       | 1,626,260,688        | 1,754,635,000                | 2,056,872,900        | 2,170,569,200        |           |  |
|   | 17 <b>TOTAL AVAILABLE</b>                     | 1,746,801,060        | 1,755,677,400                | 2,068,872,900        | 2,176,953,300        |           |  |
|   | 18 <b>B-2 EXPENDITURES TOTAL - DOT APPRNS</b> | 1,727,060,153        | 1,703,883,000                | 2,032,749,000        | 2,133,548,600        |           |  |
|   | 19 Other Agencies                             | 25,847,544           | 25,428,400                   | 26,415,900           | 29,380,500           |           |  |
|   | 20  |                      |                              |                      |                      |           |  |
|   | 21 EMPLOYE COMPENSATION RESERVES              | N/A                  | 3,033,800                    | 3,405,100            | 6,878,300            |           |  |
|   | 22 HEALTH INSURANCE RESERVE                   | N/A                  | 5,808,200                    | 3,418,800            | 6,665,100            |           |  |
|   | 24 WISCONSIN RETIREMENT RESERVE               | N/A                  | 24,000                       | N/A                  | N/A                  |           |  |
|   | 25 OTHER RESERVES                             | N/A                  | 9,000,000                    | 0                    | 0                    |           |  |
|   | 26 Lapses from SEG Debt Serv. Apprns          | (626,278)            | 0                            | 0                    | 0                    |           |  |
|   | 27 Lapsed Appropriation Balances              | (6,522,740)          | (3,500,000)                  | (3,500,000)          | (3,500,000)          |           |  |
|   | 28  |                      |                              |                      |                      |           |  |
|   | 29 <b>TOTAL EXPENDITURES &amp; RESERVES</b>   | 1,745,758,679        | 1,743,677,400                | 2,062,488,800        | 2,172,972,500        |           |  |
|   | 30 <b>CLOSING BALANCE</b>                     | 1,042,381            | 12,000,000                   | 6,384,100            | 3,980,800            |           |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES                                    | TITLES                               |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>1</u> |         |
|---|-----------------|--|--------------------------------------|-----------------------|----------------------|----------------------|--|---------|
|   |                 | 395                                      | Department of Transportation         |                       |                      |                      |  |         |
|   |                 | 01                                       | Aids                                 |                       |                      |                      |  |         |
|   |                 | 02                                       | General Fund                         |                       |                      |                      |  |         |
|   |                 | 120                                      | Tribal elderly transportation grants |                       |                      |                      |  |         |
| PR  | Program Revenue |  |                                      |                       |                      |                      |  |         |
|   |                 | REVENUE AND EXPENDITURES                 | PRIOR YEAR<br>ACTUAL                 | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |         |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>       | 0                                    | 0                     | 0                    | 0                    |  |         |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>    |                                      |                       |                      |                      |  |         |
|   | 03              |  | 247,500                              | 247,500               | 247,500              | 247,500              |  |         |
|   | 04              |  |                                      |                       |                      |                      |  |         |
|   | 05              |  |                                      |                       |                      |                      |  |         |
|   | 06              |  |                                      |                       |                      |                      |  |         |
|   | 07              |  |                                      |                       |                      |                      |  |         |
|   | 08              |  |                                      |                       |                      |                      |  |         |
|   | 09              |  |                                      |                       |                      |                      |  |         |
|   | 10              |  |                                      |                       |                      |                      |  |         |
|   | 11              |  |                                      |                       |                      |                      |  |         |
|   | 12              |  |                                      |                       |                      |                      |  |         |
|   | 13              |  |                                      |                       |                      |                      |  |         |
|   | 14              |  |                                      |                       |                      |                      |  |         |
|   | 15              |  |                                      |                       |                      |                      |  |         |
|   | 16              | <b>TOTAL REVENUE</b>                     |                                      | 247,500               | 247,500              | 247,500              |  | 247,500 |
|   | 17              | <b>TOTAL AVAILABLE</b>                   |                                      | 247,500               | 247,500              | 247,500              |  | 247,500 |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>            | 247,500                              | 247,500               | 247,500              | 247,500              |  |         |
|   | 19              |  |                                      |                       |                      |                      |  |         |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>     |                                      |                       |                      |                      |  |         |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>          |                                      |                       |                      |                      |  |         |
|   | 22              | <b>OTHER RESERVES</b>                    |                                      |                       |                      |                      |  |         |
|   | 23              |  |                                      |                       |                      |                      |  |         |
|   | 24              |  |                                      |                       |                      |                      |  |         |
|   | 25              |  |                                      |                       |                      |                      |  |         |
|   | 26              |  |                                      |                       |                      |                      |  |         |
|   | 27              |  |                                      |                       |                      |                      |  |         |
|   | 28              |  |                                      |                       |                      |                      |  |         |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b> |                                      | 247,500               | 247,500              | 247,500              |  | 247,500 |
|   | 30              | <b>CLOSING BALANCE</b>                   |                                      | 0                     | 0                    | 0                    |  | 0       |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES                                      | TITLES  |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |
|---|-----------------|--|---|-----------------------|----------------------|----------------------|---|
|   |                 | 395  | Department of Transportation                                  |                       |                      |                      |   |
|   |                 | 01   | Aids  |                       |                      |                      |   |
|   |                 | 02   | General Fund  |                       |                      |                      |   |
|   |                 | 179  | Professional football stadium maint. & oper. costs, state fds |                       |                      |                      |   |
| PR  | Program Revenue |  |   |                       |                      |                      |   |
|   |                 | REVENUE AND EXPENDITURES                   | PRIOR YEAR<br>ACTUAL  | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>         | 0   | 0                     | 0                    | 0                    |   |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>      |   |                       |                      |                      |   |
|   | 03              | Contributions from Green Bay Packers plate | 409,985   | 450,000               | 450,000              | 450,000              |   |
|   | 04              |  |   |                       |                      |                      |   |
|   | 05              |  |   |                       |                      |                      |   |
|   | 06              |  |   |                       |                      |                      |   |
|   | 07              |  |   |                       |                      |                      |   |
|   | 08              |  |   |                       |                      |                      |   |
|   | 09              |  |   |                       |                      |                      |   |
|   | 10              |  |   |                       |                      |                      |   |
|   | 11              |  |   |                       |                      |                      |   |
|   | 12              |  |   |                       |                      |                      |   |
|   | 13              |  |   |                       |                      |                      |   |
|   | 14              |  |   |                       |                      |                      |   |
|   | 15              |  |   |                       |                      |                      |   |
|   | 16              | <b>TOTAL REVENUE</b>                       | 409,985   | 450,000               | 450,000              | 450,000              |   |
|   | 17              | <b>TOTAL AVAILABLE</b>                     | 409,985   | 450,000               | 450,000              | 450,000              |   |
| S<br>E<br>R<br>V<br>I<br>C<br>E<br>S<br>R<br>E<br>S<br>E<br>R<br>V<br>E<br>S            | 18              | <b>B-2 EXPENDITURES TOTAL</b>              | 409,985   | 450,000               | 450,000              | 450,000              |   |
|   | 19              |  |   |                       |                      |                      |   |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>       |   |                       |                      |                      |   |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>            |   |                       |                      |                      |   |
|   | 22              | <b>OTHER RESERVES</b>                      |   |                       |                      |                      |   |
|   | 23              |  |   |                       |                      |                      |   |
|   | 24              |  |   |                       |                      |                      |   |
|   | 25              |  |   |                       |                      |                      |   |
|   | 26              |  |   |                       |                      |                      |   |
|   | 27              |  |   |                       |                      |                      |   |
|   | 28              |  |   |                       |                      |                      |   |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b>   | 409,985   | 450,000               | 450,000              | 450,000              |   |
|   | 30              | <b>CLOSING BALANCE</b>                     | 0   | 0                     | 0                    | 0                    |   |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |  | CODES                | TITLES  |                      |                      |           | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |
|---|--|----------------------|---|----------------------|----------------------|-----------|---|
|   |  | 395                  | Department of Transportation                    |                      |                      |           |   |
|   |  | 01                   | Aids  |                      |                      |           |   |
|   |  | 02                   | General Fund                                    |                      |                      |           |   |
|   |  | 180                  | Child abuse and neglect prevention, state funds |                      |                      |           |   |
| PR  | Program Revenue                                |                      |   |                      |                      |           |   |
|   | REVENUE AND EXPENDITURES                       | PRIOR YEAR<br>ACTUAL | BASE YEAR<br>ESTIMATE                           | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE |   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01 <b>OPENING BALANCE (PR OR SEG)</b>          | 0                    | 0   | 0                    | 0                    |           |   |
|   | 02 <b>GPR-EARNED OR PROGRAM REVENUES</b>       |                      |   |                      |                      |           |   |
|   | 03 Contributions from Celebrate Children plate | 100,355              | 125,000   | 125,000              | 125,000              |           |   |
|   | 04   |                      |   |                      |                      |           |   |
|   | 05   |                      |   |                      |                      |           |   |
|   | 06   |                      |   |                      |                      |           |   |
|   | 07   |                      |   |                      |                      |           |   |
|   | 08   |                      |   |                      |                      |           |   |
|   | 09   |                      |   |                      |                      |           |   |
|   | 10   |                      |   |                      |                      |           |   |
|   | 11   |                      |   |                      |                      |           |   |
|   | 12   |                      |   |                      |                      |           |   |
|   | 13   |                      |   |                      |                      |           |   |
|   | 14   |                      |   |                      |                      |           |   |
|   | 15   |                      |   |                      |                      |           |   |
|   | 16 <b>TOTAL REVENUE</b>                        | 100,355              | 125,000   | 125,000              | 125,000              |           |   |
|   | 17 <b>TOTAL AVAILABLE</b>                      | 100,355              | 125,000   | 125,000              | 125,000              |           |   |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18 <b>B-2 EXPENDITURES TOTAL</b>               | 100,355              | 125,000   | 125,000              | 125,000              |           |   |
|   | 19   |                      |   |                      |                      |           |   |
|   | 20 <b>EMPLOYEE COMPENSATION RESERVES</b>       |                      |   |                      |                      |           |   |
|   | 21 <b>HEALTH INSURANCE RESERVE</b>             |                      |   |                      |                      |           |   |
|   | 22 <b>OTHER RESERVES</b>                       |                      |   |                      |                      |           |   |
|   | 23   |                      |   |                      |                      |           |   |
|   | 24   |                      |   |                      |                      |           |   |
|   | 25   |                      |   |                      |                      |           |   |
|   | 26   |                      |   |                      |                      |           |   |
|   | 27   |                      |   |                      |                      |           |   |
|   | 28   |                      |   |                      |                      |           |   |
|   | 29 <b>TOTAL EXPENDITURES &amp; RESERVES</b>    | 100,355              | 125,000   | 125,000              | 125,000              |           |   |
|   | 30 <b>CLOSING BALANCE</b>                      | 0                    | 0   | 0                    | 0                    |           |   |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |    | CODES  | TITLES   |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |  |
|---|----|--|--|-----------------------|----------------------|----------------------|---|--|
|   |    | 395  | Department of Transportation   |                       |                      |                      |   |  |
|   |    | 02   | Local Transportation Assistance                                      |                       |                      |                      |   |  |
|   |    | 02   | General Fund   |                       |                      |                      |   |  |
|   |    | 244  | Advertising revenue - state-owned passenger railway stations, st fds |                       |                      |                      |   |  |
|   |    |  |  |                       |                      |                      |   |  |
|   | PR | Program Revenue                              |  |                       |                      |                      |   |  |
|   |    | REVENUE AND EXPENDITURES                     | PRIOR YEAR<br>ACTUAL   | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE   |  |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01 | <b>OPENING BALANCE (PR OR SEG)</b>           | 0  | 0                     | 0                    | 0                    |   |  |
|   | 02 | <b>GPR-EARNED OR PROGRAM REVENUES</b>        |  |                       |                      |                      |   |  |
|   | 03 | Advertising revenue at state-owned passenger |  |                       |                      |                      |   |  |
|   | 04 | railway stations, state funds                | 0  | 0                     | 0                    | 0                    |   |  |
|   | 05 |  |  |                       |                      |                      |   |  |
|   | 06 |  |  |                       |                      |                      |   |  |
|   | 07 |  |  |                       |                      |                      |   |  |
|   | 08 |  |  |                       |                      |                      |   |  |
|   | 09 |  |  |                       |                      |                      |   |  |
|   | 10 |  |  |                       |                      |                      |   |  |
|   | 11 |  |  |                       |                      |                      |   |  |
|   | 12 |  |  |                       |                      |                      |   |  |
|   | 13 |  |  |                       |                      |                      |   |  |
|   | 14 |  |  |                       |                      |                      |   |  |
|   | 15 |  |  |                       |                      |                      |   |  |
|   | 16 |  | <b>TOTAL REVENUE</b>   | 0                     | 0                    | 0                    | 0   |  |
|   | 17 |  | <b>TOTAL AVAILABLE</b>   | 0                     | 0                    | 0                    | 0   |  |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18 | <b>B-2 EXPENDITURES TOTAL</b>                | 0  | 0                     | 0                    | 0                    |   |  |
|   | 19 |  |  |                       |                      |                      |   |  |
|   | 20 | <b>EMPLOYE COMPENSATION RESERVES</b>         |  |                       |                      |                      |   |  |
|   | 21 | <b>HEALTH INSURANCE RESERVE</b>              |  |                       |                      |                      |   |  |
|   | 22 | <b>OTHER RESERVES</b>                        |  |                       |                      |                      |   |  |
|   | 23 |  |  |                       |                      |                      |   |  |
|   | 24 |  |  |                       |                      |                      |   |  |
|   | 25 |  |  |                       |                      |                      |   |  |
|   | 26 |  |  |                       |                      |                      |   |  |
|   | 27 |  |  |                       |                      |                      |   |  |
|   | 28 |  |  |                       |                      |                      |   |  |
|   | 29 |  | <b>TOTAL EXPENDITURES &amp; RESERVES</b>                             | 0                     | 0                    | 0                    | 0   |  |
|   | 30 |  | <b>CLOSING BALANCE</b>   | 0                     | 0                    | 0                    | 0   |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                         | CODES                                    | TITLES  |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>1</u> |   |
|---|-------------------------|--|---|-----------------------|----------------------|----------------------|--|---|
|   |                         | 395                                      | Department of Transportation                                |                       |                      |                      |  |   |
|   |                         | 03                                       | State Highway Facilities                                    |                       |                      |                      |  |   |
|   |                         | 02                                       | General Fund  |                       |                      |                      |  |   |
|   |                         | 332                                      | West Canal Street reconstruction & extension, service funds |                       |                      |                      |  |   |
| PR-S  | Program Revenue-Service |  |   |                       |                      |                      |  |   |
|   |                         | REVENUE AND EXPENDITURES                 | PRIOR YEAR<br>ACTUAL  | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01                      | <b>OPENING BALANCE (PR OR SEG)</b>       | 0   | 0                     | 0                    | 0                    |  |   |
|   | 02                      | <b>GPR-EARNED OR PROGRAM REVENUES</b>    |   |                       |                      |                      |  |   |
|   | 03                      |  | 0   | 0                     | 0                    | 0                    |  |   |
|   | 04                      |  |   |                       |                      |                      |  |   |
|   | 05                      |  |   |                       |                      |                      |  |   |
|   | 06                      |  |   |                       |                      |                      |  |   |
|   | 07                      |  |   |                       |                      |                      |  |   |
|   | 08                      |  |   |                       |                      |                      |  |   |
|   | 09                      |  |   |                       |                      |                      |  |   |
|   | 10                      |  |   |                       |                      |                      |  |   |
|   | 11                      |  |   |                       |                      |                      |  |   |
|   | 12                      |  |   |                       |                      |                      |  |   |
|   | 13                      |  |   |                       |                      |                      |  |   |
|   | 14                      |  |   |                       |                      |                      |  |   |
|   | 15                      |  |   |                       |                      |                      |  |   |
|   | 16                      | <b>TOTAL REVENUE</b>                     |   | 0                     | 0                    | 0                    |  | 0 |
|   | 17                      | <b>TOTAL AVAILABLE</b>                   |   | 0                     | 0                    | 0                    |  | 0 |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18                      | <b>B-2 EXPENDITURES TOTAL</b>            | 0   | 0                     | 0                    | 0                    |  |   |
|   | 19                      |  |   |                       |                      |                      |  |   |
|   | 20                      | <b>EMPLOYE COMPENSATION RESERVES</b>     |   |                       |                      |                      |  |   |
|   | 21                      | <b>HEALTH INSURANCE RESERVE</b>          |   |                       |                      |                      |  |   |
|   | 22                      | <b>OTHER RESERVES</b>                    |   |                       |                      |                      |  |   |
|   | 23                      |  |   |                       |                      |                      |  |   |
|   | 24                      |  |   |                       |                      |                      |  |   |
|   | 25                      |  |   |                       |                      |                      |  |   |
|   | 26                      |  |   |                       |                      |                      |  |   |
|   | 27                      |  |   |                       |                      |                      |  |   |
|   | 28                      |  |   |                       |                      |                      |  |   |
|   | 29                      | <b>TOTAL EXPENDITURES &amp; RESERVES</b> |   | 0                     | 0                    | 0                    | 0  |   |
|   | 30                      | <b>CLOSING BALANCE</b>                   |   | 0                     | 0                    | 0                    | 0  |   |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES                                    | TITLES                             |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>1</u> |         |
|---|-----------------|--|------------------------------------|-----------------------|----------------------|----------------------|--|---------|
|   |                 | 395                                      | Department of Transportation       |                       |                      |                      |  |         |
|   |                 | 03                                       | State Highway Facilities           |                       |                      |                      |  |         |
|   |                 | 02                                       | General Fund                       |                       |                      |                      |  |         |
|   |                 | 340                                      | Surveying Reference Station System |                       |                      |                      |  |         |
| PR  | Program Revenue |  |                                    |                       |                      |                      |  |         |
|   |                 | REVENUE AND EXPENDITURES                 | PRIOR YEAR<br>ACTUAL               | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |         |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>       | 0                                  | 0                     | 0                    | 0                    |  |         |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>    |                                    |                       |                      |                      |  |         |
|   | 03              |  | 0                                  | 470,000               | 478,000              | 478,000              |  |         |
|   | 04              |  |                                    |                       |                      |                      |  |         |
|   | 05              |  |                                    |                       |                      |                      |  |         |
|   | 06              |  |                                    |                       |                      |                      |  |         |
|   | 07              |  |                                    |                       |                      |                      |  |         |
|   | 08              |  |                                    |                       |                      |                      |  |         |
|   | 09              |  |                                    |                       |                      |                      |  |         |
|   | 10              |  |                                    |                       |                      |                      |  |         |
|   | 11              |  |                                    |                       |                      |                      |  |         |
|   | 12              |  |                                    |                       |                      |                      |  |         |
|   | 13              |  |                                    |                       |                      |                      |  |         |
|   | 14              |  |                                    |                       |                      |                      |  |         |
|   | 15              |  |                                    |                       |                      |                      |  |         |
|   | 16              | <b>TOTAL REVENUE</b>                     |                                    | 0                     | 470,000              | 478,000              |  | 478,000 |
|   | 17              | <b>TOTAL AVAILABLE</b>                   |                                    | 0                     | 470,000              | 478,000              |  | 478,000 |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>            | 0                                  | 470,000               | 478,000              | 478,000              |  |         |
|   | 19              |  |                                    |                       |                      |                      |  |         |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>     |                                    |                       |                      |                      |  |         |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>          |                                    |                       |                      |                      |  |         |
|   | 22              | <b>SPACE RENT RESERVE</b>                |                                    |                       |                      |                      |  |         |
|   | 23              | <b>SBFO CHARGE BACK COST INCR RESER</b>  |                                    |                       |                      |                      |  |         |
|   | 24              | <b>OTHER RESERVES</b>                    |                                    |                       |                      |                      |  |         |
|   | 25              |  |                                    |                       |                      |                      |  |         |
|   | 26              |  |                                    |                       |                      |                      |  |         |
|   | 27              |  |                                    |                       |                      |                      |  |         |
|   | 28              |  |                                    |                       |                      |                      |  |         |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b> |                                    | 0                     | 470,000              | 478,000              |  | 478,000 |
|   | 30              | <b>CLOSING BALANCE</b>                   |                                    | 0                     | 0                    | 0                    |  | 0       |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE | CODES           | TITLES   |  |                       |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |           |  |
|---|-----------------|--|--|-----------------------|----------------------|---|-----------|--|
|   | 395             | Department of Transportation   |  |                       |                      |   |           |  |
|   | 03              | State Highway Facilities   |  |                       |                      |   |           |  |
|   | 02              | General Fund   |  |                       |                      |   |           |  |
|   | 345             | Supplement from Sponsorship and Partnership Agreements,<br>State Funds |  |                       |                      |   |           |  |
| PR  | Program Revenue |  |  |                       |                      |   |           |  |
|   |                 | REVENUE AND EXPENDITURES   | PRIOR YEAR<br>ACTUAL                     | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE                              | NARRATIVE |  |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>                                     | 0  | 2,300                 | 0                    | 0   |           |  |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>                                  |  |                       |                      |   |           |  |
|   | 03              |  | 6,635                                    | 300,000               | 300,000              | 300,000   |           |  |
|   | 04              |  |  |                       |                      |   |           |  |
|   | 05              |  |  |                       |                      |   |           |  |
|   | 06              |  |  |                       |                      |   |           |  |
|   | 07              |  |  |                       |                      |   |           |  |
|   | 08              |  |  |                       |                      |   |           |  |
|   | 09              |  |  |                       |                      |   |           |  |
|   | 10              |  |  |                       |                      |   |           |  |
|   | 11              |  |  |                       |                      |   |           |  |
|   | 12              |  |  |                       |                      |   |           |  |
|   | 13              |  |  |                       |                      |   |           |  |
|   | 14              |  |  |                       |                      |   |           |  |
|   | 15              |  |  |                       |                      |   |           |  |
|   | 16              |  | <b>TOTAL REVENUE</b>                     | 6,635                 | 300,000              | 300,000   | 300,000   |  |
|   | 17              |  | <b>TOTAL AVAILABLE</b>                   | 6,635                 | 302,300              | 300,000   | 300,000   |  |
| S<br>E<br>R<br>V<br>I<br>C<br>E<br>S<br><br>R<br>E<br>S<br>E<br>R<br>V<br>E<br>S        | 18              | <b>B-2 EXPENDITURES TOTAL</b>  | 4,350                                    | 302,300               | 300,000              | 300,000   |           |  |
|   | 19              |  |  |                       |                      |   |           |  |
|   | 20              | <b>EMPLOYEE COMPENSATION RESERVES</b>                                  |  |                       |                      |   |           |  |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>  |  |                       |                      |   |           |  |
|   | 22              | <b>SPACE RENT RESERVE</b>  |  |                       |                      |   |           |  |
|   | 23              | <b>SBFO CHARGE BACK COST INCR RESER</b>                                |  |                       |                      |   |           |  |
|   | 24              | <b>OTHER RESERVES</b>  |  |                       |                      |   |           |  |
|   | 25              |  |  |                       |                      |   |           |  |
|   | 26              |  |  |                       |                      |   |           |  |
|   | 27              |  |  |                       |                      |   |           |  |
|   | 28              |  |  |                       |                      |   |           |  |
|   | 29              |  | <b>TOTAL EXPENDITURES &amp; RESERVES</b> | 4,350                 | 302,300              | 300,000   | 300,000   |  |
|   | 30              |  | <b>CLOSING BALANCE</b>                   | 2,285                 | 0                    | 0   | 0         |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |   | CODES                | TITLES                       |                      |                      |           | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |
|---|---|----------------------|------------------------------|----------------------|----------------------|-----------|---|
|   |   | 395                  | Department of Transportation |                      |                      |           |   |
|   |   | 03                   | State Highway Facilities     |                      |                      |           |   |
|   |   | 02                   | General Fund                 |                      |                      |           |   |
|   |   | 350                  | Damage Claims                |                      |                      |           |   |
| PR  | Program Revenue                             |                      |                              |                      |                      |           |   |
|   | REVENUE AND EXPENDITURES                    | PRIOR YEAR<br>ACTUAL | BASE YEAR<br>ESTIMATE        | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE |   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01 <b>OPENING BALANCE (PR OR SEG)</b>       | 2,697,881            | 2,681,600                    | 2,540,700            | 2,540,700            |           |   |
|   | 02 <b>GPR-EARNED OR PROGRAM REVENUES</b>    |                      |                              |                      |                      |           |   |
|   | 03 Damage Claims Revenues                   | 3,303,064            | 3,400,000                    | 3,400,000            | 3,400,000            |           |   |
|   | 04  |                      |                              |                      |                      |           |   |
|   | 05  |                      |                              |                      |                      |           |   |
|   | 06  |                      |                              |                      |                      |           |   |
|   | 07  |                      |                              |                      |                      |           |   |
|   | 08  |                      |                              |                      |                      |           |   |
|   | 09  |                      |                              |                      |                      |           |   |
|   | 10  |                      |                              |                      |                      |           |   |
|   | 11  |                      |                              |                      |                      |           |   |
|   | 12  |                      |                              |                      |                      |           |   |
|   | 13  |                      |                              |                      |                      |           |   |
|   | 14  |                      |                              |                      |                      |           |   |
|   | 15  |                      |                              |                      |                      |           |   |
|   | 16 <b>TOTAL REVENUE</b>                     | 3,303,064            | 3,400,000                    | 3,400,000            | 3,400,000            |           |   |
|   | 17 <b>TOTAL AVAILABLE</b>                   | 6,000,945            | 6,081,600                    | 5,940,700            | 5,940,700            |           |   |
| S<br>E<br>R<br>V<br>I<br>C<br>E<br>S  | 18 <b>B-2 EXPENDITURES TOTAL</b>            | 3,178,410            | 3,400,000                    | 3,400,000            | 3,400,000            |           |   |
|   | 19 PR Cash Lapse                            | 140,900              | 140,900                      | 0                    | 0                    |           |   |
|   | 20 <b>EMPLOYE COMPENSATION RESERVES</b>     |                      |                              |                      |                      |           |   |
|   | 21 <b>HEALTH INSURANCE RESERVE</b>          |                      |                              |                      |                      |           |   |
|   | 22 <b>OTHER RESERVES</b>                    |                      |                              |                      |                      |           |   |
|   | 23  |                      |                              |                      |                      |           |   |
|   | 24  |                      |                              |                      |                      |           |   |
|   | 25  |                      |                              |                      |                      |           |   |
|   | 26  |                      |                              |                      |                      |           |   |
|   | 27  |                      |                              |                      |                      |           |   |
|   | 28  |                      |                              |                      |                      |           |   |
|   | 29 <b>TOTAL EXPENDITURES &amp; RESERVES</b> | 3,319,310            | 3,540,900                    | 3,400,000            | 3,400,000            |           |   |
|   | 30 <b>CLOSING BALANCE</b>                   | 2,681,635            | 2,540,700                    | 2,540,700            | 2,540,700            |           |   |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES                                 | TITLES   |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>1</u> |           |
|---|-----------------|---------------------------------------|--|-----------------------|----------------------|----------------------|--|-----------|
|   |                 | 395                                   | Department of Transportation                                 |                       |                      |                      |  |           |
|   |                 | 03                                    | State Highway Facilities                                     |                       |                      |                      |  |           |
|   |                 | 02                                    | General Fund   |                       |                      |                      |  |           |
|   |                 | 351                                   | Utility facilities within highway rights-of-way, state funds |                       |                      |                      |  |           |
| PR  | Program Revenue |                                       |  |                       |                      |                      |  |           |
|   |                 | REVENUE AND EXPENDITURES              | PRIOR YEAR<br>ACTUAL   | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |           |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>    | 823,319  | 135,200               | 0                    | 0                    |  |           |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b> |  |                       |                      |                      |  |           |
|   | 03              |                                       | 56,634   | 1,776,700             | 2,000,000            | 2,000,000            |  |           |
|   | 04              |                                       |  |                       |                      |                      |  |           |
|   | 05              |                                       |  |                       |                      |                      |  |           |
|   | 06              |                                       |  |                       |                      |                      |  |           |
|   | 07              |                                       |  |                       |                      |                      |  |           |
|   | 08              |                                       |  |                       |                      |                      |  |           |
|   | 09              |                                       |  |                       |                      |                      |  |           |
|   | 10              |                                       |  |                       |                      |                      |  |           |
|   | 11              |                                       |  |                       |                      |                      |  |           |
|   | 12              |                                       |  |                       |                      |                      |  |           |
|   | 13              |                                       |  |                       |                      |                      |  |           |
|   | 14              |                                       |  |                       |                      |                      |  |           |
|   | 15              |                                       |  |                       |                      |                      |  |           |
|   | 16              |                                       | <b>TOTAL REVENUE</b>   | 56,634                | 1,776,700            | 2,000,000            |  | 2,000,000 |
|   | 17              |                                       | <b>TOTAL AVAILABLE</b>                                       | 879,953               | 1,911,900            | 2,000,000            |  | 2,000,000 |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>         | 744,797  | 1,911,900             | 2,000,000            | 2,000,000            |  |           |
|   | 19              |                                       |  |                       |                      |                      |  |           |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>  |  |                       |                      |                      |  |           |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>       |  |                       |                      |                      |  |           |
|   | 22              | <b>OTHER RESERVES</b>                 |  |                       |                      |                      |  |           |
|   | 23              |                                       |  |                       |                      |                      |  |           |
|   | 24              |                                       |  |                       |                      |                      |  |           |
|   | 25              |                                       |  |                       |                      |                      |  |           |
|   | 26              |                                       |  |                       |                      |                      |  |           |
|   | 27              |                                       |  |                       |                      |                      |  |           |
|   | 28              |                                       |  |                       |                      |                      |  |           |
|   | 29              |                                       | <b>TOTAL EXPENDITURES &amp; RESERVES</b>                     | 744,797               | 1,911,900            | 2,000,000            |  | 2,000,000 |
|   | 30              |                                       | <b>CLOSING BALANCE</b>                                       | 135,156               | 0                    | 0                    |  | 0         |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |   | CODES                | TITLES  |                      |                      |   | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>1</u> |
|---|---|----------------------|---|----------------------|----------------------|---|--|
|   |   | 395                  | Department of Transportation                  |                      |                      |   |  |
|   |   | 04                   | General Transportation Operations             |                      |                      |   |  |
|   |   | 11                   | Transportation Fund                           |                      |                      |   |  |
|   |   | 465                  | Data Processing Service Center, Service Funds |                      |                      |   |  |
| SEG-S   | Segregated Revenues-Service                   |                      |   |                      |                      |   |  |
|   | REVENUE AND EXPENDITURES                      | PRIOR YEAR<br>ACTUAL | BASE YEAR<br>ESTIMATE                         | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE   |  |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01 <b>OPENING BALANCE (PR OR SEG)</b>         | 4,155,519            | 3,588,600                                     | 3,214,800            | 2,841,000            | * See detailed calculation<br>in Comp Reserves,<br>HI Piece, and WRS<br>Reserve worksheets. |  |
|   | 02 <b>GPR-EARNED OR PROGRAM REVENUES</b>      |                      |   |                      |                      |   |  |
|   | 03 Computer Services                          | 9,876,798            | 11,626,200                                    | 11,626,200           | 11,626,200           |   |  |
|   | 04 Incr. Service Charges for Empl. Comp.      | N/A                  | N/A   | 2,100                | 4,200                |   |  |
|   | 05 Incr. Service Charges for Health Insurance | N/A                  | N/A   | 1,600                | 3,100                |   |  |
|   | 06 Incr. Service Charges for WRS              | N/A                  | N/A   | 0                    | 0                    |   |  |
|   | 07  |                      |   |                      |                      |   |  |
|   | 08  |                      |   |                      |                      |   |  |
|   | 09  |                      |   |                      |                      |   |  |
|   | 10  |                      |   |                      |                      |   |  |
|   | 11  |                      |   |                      |                      |   |  |
|   | 12  |                      |   |                      |                      |   |  |
|   | 13  |                      |   |                      |                      |   |  |
|   | 14  |                      |   |                      |                      |   |  |
|   | 15  |                      |   |                      |                      |   |  |
|   | 16 <b>TOTAL REVENUE</b>                       | 9,876,798            | 11,626,200                                    | 11,629,900           | 11,633,500           |   |  |
|   | 17 <b>TOTAL AVAILABLE</b>                     | 14,032,317           | 15,214,800                                    | 14,844,700           | 14,474,500           |   |  |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18 <b>B-2 EXPENDITURES TOTAL</b>              | 10,443,693           | 12,000,000                                    | 12,000,000           | 12,000,000           |   |  |
|   | 19  |                      |   |                      |                      |   |  |
|   | 20 <b>EMPLOYEE COMPENSATION RESERVES</b>      | N/A                  | N/A   | 2,100                | 4,200                |   |  |
|   | 21 <b>HEALTH INSURANCE RESERVE</b>            | N/A                  | N/A   | 1,600                | 3,100                |   |  |
|   | 22 <b>OTHER RESERVES</b>                      | N/A                  | N/A   | 0                    | 0                    |   |  |
|   | 23  |                      |   |                      |                      |   |  |
|   | 24  |                      |   |                      |                      |   |  |
|   | 25  |                      |   |                      |                      |   |  |
|   | 26  |                      |   |                      |                      |   |  |
|   | 27  |                      |   |                      |                      |   |  |
|   | 28  |                      |   |                      |                      |   |  |
|   | 29 <b>TOTAL EXPENDITURES &amp; RESERVES</b>   | 10,443,693           | 12,000,000                                    | 12,003,700           | 12,007,300           |   |  |
|   | 30 <b>CLOSING BALANCE</b>                     | 3,588,624            | 3,214,800                                     | 2,841,000            | 2,467,200            |   |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |       | CODES                                      | TITLES                            |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1  |
|---|-------|--|-----------------------------------|-----------------------|----------------------|----------------------|--|
|   |       | 395  | Department of Transportation      |                       |                      |                      |  |
|   |       | 04   | General Transportation Operations |                       |                      |                      |  |
|   |       | 11   | Transportation Fund               |                       |                      |                      |  |
|   |       | 466  | Fleet Operations, Service Funds   |                       |                      |                      |  |
|   | SEG-S | Segregated Revenues-Service                |                                   |                       |                      |                      |  |
|   |       | REVENUE AND EXPENDITURES                   | PRIOR YEAR<br>ACTUAL              | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |
| R<br>E<br>V<br>E<br>N<br>U<br>E   | 01    | <b>OPENING BALANCE (PR OR SEG)</b>         | (12,539,630)                      | (14,337,500)          | (14,337,500)         | (14,337,500)         |  |
|   | 02    | <b>GPR-EARNED OR PROGRAM REVENUES</b>      |                                   |                       |                      |                      |  |
|   | 03    | Service Center Charges                     | 9,950,207                         | 12,027,900            | 12,036,600           | 12,036,600           |  |
|   | 04    | Incr. Service Charges for Empl. Comp.      | N/A                               | N/A                   | 4,800                | 9,600                |  |
|   | 05    | Incr. Service Charges for Health Insurance | N/A                               | N/A                   | 6,300                | 12,200               |  |
|   | 06    | Incr. Service Charges for WRS              | N/A                               | N/A                   | 0                    | 0                    |  |
|   | 07    |  |                                   |                       |                      |                      |  |
|   | 08    |  |                                   |                       |                      |                      |  |
|   | 09    |  |                                   |                       |                      |                      |  |
|   | 10    |  |                                   |                       |                      |                      |  |
|   | 11    |  |                                   |                       |                      |                      |  |
|   | 12    |  |                                   |                       |                      |                      |  |
|   | 13    |  |                                   |                       |                      |                      |  |
|   | 14    |  |                                   |                       |                      |                      |  |
|   | 15    |  |                                   |                       |                      |                      |  |
|   | 16    | <b>TOTAL REVENUE</b>                       | 9,950,207                         | 12,027,900            | 12,047,700           | 12,058,400           |  |
|   | 17    | <b>TOTAL AVAILABLE</b>                     | (2,589,423)                       | (2,309,600)           | (2,289,800)          | (2,279,100)          |  |
| S<br>E<br>R<br>V<br>I<br>C<br>E<br>S  | 18    | <b>B-2 EXPENDITURES TOTAL</b>              | 11,748,057                        | 12,027,900            | 12,036,600           | 12,036,600           | * See detailed calculation<br>in Comp Reserves,<br>HI Piece, and WRS<br>Reserve worksheets.<br><br>** Deficits are covered<br>by the book value of<br>the fleet. |
|   | 19    |  |                                   |                       |                      |                      |  |
|   | 20    | <b>EMPLOYEE COMPENSATION RESERVES</b>      | N/A                               | N/A                   | 4,800                | 9,600                |  |
|   | 21    | <b>HEALTH INSURANCE RESERVE</b>            | N/A                               | N/A                   | 6,300                | 12,200               |  |
|   | 22    | <b>OTHER RESERVES</b>                      | N/A                               | N/A                   | 0                    | 0                    |  |
|   | 23    |  |                                   |                       |                      |                      |  |
|   | 24    |  |                                   |                       |                      |                      |  |
|   | 25    |  |                                   |                       |                      |                      |  |
|   | 26    |  |                                   |                       |                      |                      |  |
|   | 27    |  |                                   |                       |                      |                      |  |
|   | 28    |  |                                   |                       |                      |                      |  |
| L<br>E<br>X<br>I<br>C<br>O<br>N   | 29    | <b>TOTAL EXPENDITURES &amp; RESERVES</b>   | 11,748,057                        | 12,027,900            | 12,047,700           | 12,058,400           |  |
|   | 30    | <b>CLOSING BALANCE*</b>                    | (14,337,480)                      | (14,337,500)          | (14,337,500)         | (14,337,500)         |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                             | CODES                                    | TITLES   |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1              |
|---|-----------------------------|--|--|-----------------------|----------------------|----------------------|--|
|   |                             | 395                                      | Department of Transportation                         |                       |                      |                      |  |
|   |                             | 04                                       | General Transportation Operations                    |                       |                      |                      |  |
|   |                             | 11                                       | Transportation Fund                                  |                       |                      |                      |  |
|   |                             | 467                                      | Other Department Services, Operations, Service Funds |                       |                      |                      |  |
| SEG-S   | Segregated Revenues-Service |  |  |                       |                      |                      |  |
|   |                             | REVENUE AND EXPENDITURES                 | PRIOR YEAR<br>ACTUAL                                 | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01                          | <b>OPENING BALANCE (PR OR SEG)</b>       | (79,720)   | (148,900)             | 0                    | 0                    | ** Deficits are covered by the value of the postage inventory. |
|   | 02                          | <b>GPR-EARNED OR PROGRAM REVENUES</b>    |  |                       |                      |                      |  |
|   | 03                          | Printing/Postage Service Center Charges  | 467,967  | 5,229,500             | 5,139,000            | 5,139,000            |  |
|   | 04                          |  |  |                       |                      |                      |  |
|   | 05                          |  |  |                       |                      |                      |  |
|   | 06                          |  |  |                       |                      |                      |  |
|   | 07                          |  |  |                       |                      |                      |  |
|   | 08                          |  |  |                       |                      |                      |  |
|   | 09                          |  |  |                       |                      |                      |  |
|   | 10                          |  |  |                       |                      |                      |  |
|   | 11                          |  |  |                       |                      |                      |  |
|   | 12                          |  |  |                       |                      |                      |  |
|   | 13                          |  |  |                       |                      |                      |  |
|   | 14                          |  |  |                       |                      |                      |  |
|   | 15                          |  |  |                       |                      |                      |  |
|   | 16                          | <b>TOTAL REVENUE</b>                     | 467,967  | 5,229,500             | 5,139,000            | 5,139,000            |  |
|   | 17                          | <b>TOTAL AVAILABLE</b>                   | 388,247  | 5,080,600             | 5,139,000            | 5,139,000            |  |
| S<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                     | 18                          | <b>B-2 EXPENDITURES TOTAL</b>            | 537,098  | 5,080,600             | 5,139,000            | 5,139,000            |  |
|   | 19                          |  |  |                       |                      |                      |  |
|   | 20                          |  |  |                       |                      |                      |  |
|   | 21                          |  |  |                       |                      |                      |  |
|   | 22                          |  |  |                       |                      |                      |  |
|   | 23                          |  |  |                       |                      |                      |  |
|   | 24                          |  |  |                       |                      |                      |  |
|   | 25                          |  |  |                       |                      |                      |  |
|   | 26                          |  |  |                       |                      |                      |  |
|   | 27                          |  |  |                       |                      |                      |  |
|   | 28                          |  |  |                       |                      |                      |  |
|   | 29                          | <b>TOTAL EXPENDITURES &amp; RESERVES</b> | 537,098  | 5,080,600             | 5,139,000            | 5,139,000            |  |
|   | 30                          | <b>CLOSING BALANCE</b>                   | (148,851)  | 0                     | 0                    | 0                    |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES                                    | TITLES  |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |
|---|-----------------|--|---|-----------------------|----------------------|----------------------|---|
|   |                 | 395                                      | Department of Transportation                            |                       |                      |                      |   |
|   |                 | 05                                       | Motor Vehicle Services and Enforcement                  |                       |                      |                      |   |
|   |                 | 02                                       | General Fund  |                       |                      |                      |   |
|   |                 | 521                                      | Vehicle registration, special group plates, state funds |                       |                      |                      |   |
| PR  | Program Revenue |  |   |                       |                      |                      |   |
|   |                 | REVENUE AND EXPENDITURES                 | PRIOR YEAR<br>ACTUAL                                    | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>       | 0   | 0                     | 0                    | 0                    |   |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>    |   |                       |                      |                      |   |
|   | 03              | Revenue from Special Group Plates        | 0   | 0                     | 0                    | 0                    |   |
|   | 04              |  |   |                       |                      |                      |   |
|   | 05              |  |   |                       |                      |                      |   |
|   | 06              |  |   |                       |                      |                      |   |
|   | 07              |  |   |                       |                      |                      |   |
|   | 08              |  |   |                       |                      |                      |   |
|   | 09              |  |   |                       |                      |                      |   |
|   | 10              |  |   |                       |                      |                      |   |
|   | 11              |  |   |                       |                      |                      |   |
|   | 12              |  |   |                       |                      |                      |   |
|   | 13              |  |   |                       |                      |                      |   |
|   | 14              |  |   |                       |                      |                      |   |
|   | 15              |  |   |                       |                      |                      |   |
|   | 16              | <b>TOTAL REVENUE</b>                     | 0   | 0                     | 0                    | 0                    |   |
|   | 17              | <b>TOTAL AVAILABLE</b>                   | 0   | 0                     | 0                    | 0                    |   |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>            | 0   | 0                     | 0                    | 0                    |   |
|   | 19              |  |   |                       |                      |                      |   |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>     |   |                       |                      |                      |   |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>          |   |                       |                      |                      |   |
|   | 22              | <b>OTHER RESERVES</b>                    |   |                       |                      |                      |   |
|   | 23              |  |   |                       |                      |                      |   |
|   | 24              |  |   |                       |                      |                      |   |
|   | 25              |  |   |                       |                      |                      |   |
|   | 26              |  |   |                       |                      |                      |   |
|   | 27              |  |   |                       |                      |                      |   |
|   | 28              |  |   |                       |                      |                      |   |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b> | 0   | 0                     | 0                    | 0                    |   |
|   | 30              | <b>CLOSING BALANCE</b>                   | 0   | 0                     | 0                    | 0                    |   |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES   | TITLES                                 |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |
|---|-----------------|---|--|-----------------------|----------------------|----------------------|---|
|   |                 | 395   | Department of Transportation           |                       |                      |                      |   |
|   |                 | 05  | Motor Vehicle Services and Enforcement |                       |                      |                      |   |
|   |                 | 02  | General Fund                           |                       |                      |                      |   |
|   |                 | 522   | Licensing fees, state funds            |                       |                      |                      |   |
| PR  | Program Revenue |   |  |                       |                      |                      |   |
|   |                 | REVENUE AND EXPENDITURES                        | PRIOR YEAR<br>ACTUAL                   | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>              | 0                                      | 1,000                 | 1,000                | 1,000                |   |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>           |  |                       |                      |                      |   |
|   | 03              | NFL Licensing Fees from Green Bay Packers plate | 3,655                                  | 6,000                 | 6,000                | 6,000                |   |
|   | 04              |   |  |                       |                      |                      |   |
|   | 05              |   |  |                       |                      |                      |   |
|   | 06              |   |  |                       |                      |                      |   |
|   | 07              |   |  |                       |                      |                      |   |
|   | 08              |   |  |                       |                      |                      |   |
|   | 09              |   |  |                       |                      |                      |   |
|   | 10              |   |  |                       |                      |                      |   |
|   | 11              |   |  |                       |                      |                      |   |
|   | 12              |   |  |                       |                      |                      |   |
|   | 13              |   |  |                       |                      |                      |   |
|   | 14              |   |  |                       |                      |                      |   |
|   | 15              |   |  |                       |                      |                      |   |
|   | 16              | <b>TOTAL REVENUE</b>                            | 3,655                                  | 6,000                 | 6,000                | 6,000                |   |
|   | 17              | <b>TOTAL AVAILABLE</b>                          | 3,655                                  | 7,000                 | 7,000                | 7,000                |   |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>                   | 2,703                                  | 6,000                 | 6,000                | 6,000                |   |
|   | 19              |   |  |                       |                      |                      |   |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>            |  |                       |                      |                      |   |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>                 |  |                       |                      |                      |   |
|   | 22              | <b>OTHER RESERVES</b>                           |  |                       |                      |                      |   |
|   | 23              |   |  |                       |                      |                      |   |
|   | 24              |   |  |                       |                      |                      |   |
|   | 25              |   |  |                       |                      |                      |   |
|   | 26              |   |  |                       |                      |                      |   |
|   | 27              |   |  |                       |                      |                      |   |
|   | 28              |   |  |                       |                      |                      |   |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b>        | 2,703                                  | 6,000                 | 6,000                | 6,000                |   |
|   | 30              | <b>CLOSING BALANCE</b>                          | 952                                    | 1,000                 | 1,000                | 1,000                |   |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |  | CODES                | TITLES   |                      |                      |           | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |
|---|--|----------------------|--|----------------------|----------------------|-----------|---|
|   |  | 395                  | Department of Transportation                       |                      |                      |           |   |
|   |  | 05                   | Motor Vehicle Services and Enforcement             |                      |                      |           |   |
|   |  | 02                   | General Fund                                       |                      |                      |           |   |
|   |  | 523                  | Repaired salvage vehicle examinations, state funds |                      |                      |           |   |
| PR  | Program Revenue                                    |                      |  |                      |                      |           |   |
|   | REVENUE AND EXPENDITURES                           | PRIOR YEAR<br>ACTUAL | BASE YEAR<br>ESTIMATE                              | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE |   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01 <b>OPENING BALANCE (PR OR SEG)</b>              | 145,237              | 145,300  | 145,300              | 145,300              |           |   |
|   | 02 <b>GPR-EARNED OR PROGRAM REVENUES</b>           |                      |  |                      |                      |           |   |
|   | 03 Fees for reimbursing salvage vehicle inspectors | 162,080              | 225,000  | 225,000              | 225,000              |           |   |
|   | 04   |                      |  |                      |                      |           |   |
|   | 05   |                      |  |                      |                      |           |   |
|   | 06   |                      |  |                      |                      |           |   |
|   | 07   |                      |  |                      |                      |           |   |
|   | 08   |                      |  |                      |                      |           |   |
|   | 09   |                      |  |                      |                      |           |   |
|   | 10   |                      |  |                      |                      |           |   |
|   | 11   |                      |  |                      |                      |           |   |
|   | 12   |                      |  |                      |                      |           |   |
|   | 13   |                      |  |                      |                      |           |   |
|   | 14   |                      |  |                      |                      |           |   |
|   | 15   |                      |  |                      |                      |           |   |
|   | 16 <b>TOTAL REVENUE</b>                            | 162,080              | 225,000  | 225,000              | 225,000              |           |   |
|   | 17 <b>TOTAL AVAILABLE</b>                          | 307,317              | 370,300  | 370,300              | 370,300              |           |   |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18 <b>B-2 EXPENDITURES TOTAL</b>                   | 162,000              | 225,000  | 225,000              | 225,000              |           |   |
|   | 19   |                      |  |                      |                      |           |   |
|   | 20 <b>EMPLOYE COMPENSATION RESERVES</b>            |                      |  |                      |                      |           |   |
|   | 21 <b>HEALTH INSURANCE RESERVE</b>                 |                      |  |                      |                      |           |   |
|   | 22 <b>OTHER RESERVES</b>                           |                      |  |                      |                      |           |   |
|   | 23   |                      |  |                      |                      |           |   |
|   | 24   |                      |  |                      |                      |           |   |
|   | 25   |                      |  |                      |                      |           |   |
|   | 26   |                      |  |                      |                      |           |   |
|   | 27   |                      |  |                      |                      |           |   |
|   | 28   |                      |  |                      |                      |           |   |
|   | 29 <b>TOTAL EXPENDITURES &amp; RESERVES</b>        | 162,000              | 225,000  | 225,000              | 225,000              |           |   |
|   | 30 <b>CLOSING BALANCE</b>                          | 145,317              | 145,300  | 145,300              | 145,300              |           |   |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |  | CODES                | TITLES  |                      |                      |  | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |
|---|--|----------------------|---|----------------------|----------------------|--|---|
|   |  | 395                  | Department of Transportation                  |                      |                      |  |   |
|   |  | 05                   | Motor Vehicle Services and Enforcement        |                      |                      |  |   |
|   |  | 02                   | General Fund                                  |                      |                      |  |   |
|   |  | 524                  | Public safety radio management, service funds |                      |                      |  |   |
| PR-S  | Program Revenue-Service                            |                      |   |                      |                      |  |   |
|   | REVENUE AND EXPENDITURES                           | PRIOR YEAR<br>ACTUAL | BASE YEAR<br>ESTIMATE                         | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01 <b>OPENING BALANCE (PR OR SEG)</b>              | (344,209)            | (372,500)                                     | 0                    | 0                    | Assumes continuation<br>of transfer from DOT,<br>DNR, and OJA.             |   |
|   | 02 <b>GPR-EARNED OR PROGRAM REVENUES</b>           |                      |   |                      |                      |  |   |
|   | 03 Transfer (program fee) from DNR                 | 0                    | 92,000  | 92,000               | 92,000               |  |   |
|   | 04 Transfer (program fee) from DOT                 | 987,726              | 115,000                                       | 115,000              | 115,000              |  |   |
|   | 05 Transfer (program fee) from OJA                 | N/A                  | 794,400                                       | 794,400              | 794,400              |  |   |
|   | 06 Incr. Service Charges for Empl. Comp.           | N/A                  | N/A   | 7,400                | 14,900               |  |   |
|   | 07 Incr. Service Charges for Health Insur. Reserve | N/A                  | N/A   | 6,800                | 13,200               |  |   |
|   | 08   |                      |   |                      |                      |  |   |
|   | 09   |                      |   |                      |                      |  |   |
|   | 10   |                      |   |                      |                      |  |   |
|   | 11   |                      |   |                      |                      |  |   |
|   | 12   |                      |   |                      |                      |  |   |
|   | 13   |                      |   |                      |                      |  |   |
|   | 14   |                      |   |                      |                      |  |   |
|   | 15   |                      |   |                      |                      |  |   |
|   | 16 <b>TOTAL REVENUE</b>                            | 987,726              | 1,001,400                                     | 1,015,600            | 1,029,500            |  |   |
|   | 17 <b>TOTAL AVAILABLE</b>                          | 643,517              | 628,900                                       | 1,015,600            | 1,029,500            |  |   |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18 <b>B-2 EXPENDITURES TOTAL</b>                   | 1,015,996            | 628,900                                       | 988,800              | 988,800              | * See detailed calculation<br>in Comp Reserves and<br>HI Piece worksheets. |   |
|   | 19 PR Cash Lapse                                   |                      |   | 12,600               | 12,600               |  |   |
|   | 20 <b>EMPLOYE COMPENSATION RESERVES</b>            | N/A                  | N/A   | 7,400                | 14,900               |  |   |
|   | 21 <b>HEALTH INSURANCE RESERVE</b>                 | N/A                  | N/A   | 6,800                | 13,200               |  |   |
|   | 22 <b>OTHER RESERVES</b>                           |                      |   |                      |                      |  |   |
|   | 23   |                      |   |                      |                      |  |   |
|   | 24   |                      |   |                      |                      |  |   |
|   | 25   |                      |   |                      |                      |  |   |
|   | 26   |                      |   |                      |                      |  |   |
|   | 27   |                      |   |                      |                      |  |   |
|   | 28   |                      |   |                      |                      |  |   |
|   | 29 <b>TOTAL EXPENDITURES &amp; RESERVES</b>        | 1,015,996            | 628,900                                       | 1,015,600            | 1,029,500            |  |   |
|   | 30 <b>CLOSING BALANCE</b>                          | (372,479)            | 0   | 0                    | 0                    |  |   |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |  | CODES                | TITLES                                 |                      |                      |           | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |
|---|--|----------------------|--|----------------------|----------------------|-----------|---|
|   |  | 395                  | Department of Transportation           |                      |                      |           |   |
|   |  | 05                   | Motor Vehicle Services and Enforcement |                      |                      |           |   |
|   |  | 02                   | General Fund                           |                      |                      |           |   |
|   |  | 525                  | Convenience fees, state funds          |                      |                      |           |   |
| PR  | Program Revenue                                    |                      |  |                      |                      |           |   |
|   | REVENUE AND EXPENDITURES                           | PRIOR YEAR<br>ACTUAL | BASE YEAR<br>ESTIMATE                  | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE |   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01 <b>OPENING BALANCE (PR OR SEG)</b>              | 93,288               | 91,800                                 | 0                    | 0                    |           |   |
|   | 02 <b>GPR-EARNED OR PROGRAM REVENUES</b>           |                      |  |                      |                      |           |   |
|   | 03 Fees for use of internet and telephone for      | 2,096,716            | 2,700,000                              | 2,700,000            | 2,700,000            |           |   |
|   | 04 registration renewals and OS/OW routing permits |                      |  |                      |                      |           |   |
|   | 05   |                      |  |                      |                      |           |   |
|   | 06   |                      |  |                      |                      |           |   |
|   | 07   |                      |  |                      |                      |           |   |
|   | 08   |                      |  |                      |                      |           |   |
|   | 09   |                      |  |                      |                      |           |   |
|   | 10   |                      |  |                      |                      |           |   |
|   | 11   |                      |  |                      |                      |           |   |
|   | 12   |                      |  |                      |                      |           |   |
|   | 13   |                      |  |                      |                      |           |   |
|   | 14   |                      |  |                      |                      |           |   |
|   | 15   |                      |  |                      |                      |           |   |
|   | 16 <b>TOTAL REVENUE</b>                            | 2,096,716            | 2,700,000                              | 2,700,000            | 2,700,000            |           |   |
|   | 17 <b>TOTAL AVAILABLE</b>                          | 2,190,004            | 2,791,800                              | 2,700,000            | 2,700,000            |           |   |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18 <b>B-2 EXPENDITURES TOTAL</b>                   | 2,098,254            | 2,791,800                              | 2,700,000            | 2,700,000            |           |   |
|   | 19   |                      |  |                      |                      |           |   |
|   | 20 <b>EMPLOYE COMPENSATION RESERVES</b>            |                      |  |                      |                      |           |   |
|   | 21 <b>HEALTH INSURANCE RESERVE</b>                 |                      |  |                      |                      |           |   |
|   | 22 <b>OTHER RESERVES</b>                           |                      |  |                      |                      |           |   |
|   | 23   |                      |  |                      |                      |           |   |
|   | 24   |                      |  |                      |                      |           |   |
|   | 25   |                      |  |                      |                      |           |   |
|   | 26   |                      |  |                      |                      |           |   |
|   | 27   |                      |  |                      |                      |           |   |
|   | 28   |                      |  |                      |                      |           |   |
|   | 29 <b>TOTAL EXPENDITURES &amp; RESERVES</b>        | 2,098,254            | 2,791,800                              | 2,700,000            | 2,700,000            |           |   |
| 30 <b>CLOSING BALANCE</b>   | 91,750   | 0                    | 0                                      | 0                    |                      |           |   |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE | CODES           | TITLES   |                      |                       |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |           |
|---|-----------------|--|----------------------|-----------------------|----------------------|---|-----------|
|   | 395             | Department of Transportation                                 |                      |                       |                      |   |           |
|   | 05              | Motor Vehicle Services and Enforcement                       |                      |                       |                      |   |           |
|   | 02              | General Fund   |                      |                       |                      |   |           |
|   | 526             | Escort, security & traffic enforcement services, state funds |                      |                       |                      |   |           |
| PR  | Program Revenue |  |                      |                       |                      |   |           |
|   |                 | REVENUE AND EXPENDITURES                                     | PRIOR YEAR<br>ACTUAL | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE                              | NARRATIVE |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>                           | 36,035               | 21,100                | 0                    | 0   |           |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>                        |                      |                       |                      |   |           |
|   | 03              | Ancillary Services   | 696,435              | 700,000               | 700,000              | 700,000   |           |
|   | 04              |  |                      |                       |                      |   |           |
|   | 05              |  |                      |                       |                      |   |           |
|   | 06              |  |                      |                       |                      |   |           |
|   | 07              |  |                      |                       |                      |   |           |
|   | 08              |  |                      |                       |                      |   |           |
|   | 09              |  |                      |                       |                      |   |           |
|   | 10              |  |                      |                       |                      |   |           |
|   | 11              |  |                      |                       |                      |   |           |
|   | 12              |  |                      |                       |                      |   |           |
|   | 13              |  |                      |                       |                      |   |           |
|   | 14              |  |                      |                       |                      |   |           |
|   | 15              |  |                      |                       |                      |   |           |
|   | 16              | <b>TOTAL REVENUE</b>   | 696,435              | 700,000               | 700,000              | 700,000   |           |
|   | 17              | <b>TOTAL AVAILABLE</b>                                       | 732,470              | 721,100               | 700,000              | 700,000   |           |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>                                | 711,417              | 721,100               | 700,000              | 700,000   |           |
|   | 19              |  |                      |                       |                      |   |           |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>                         |                      |                       |                      |   |           |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>                              |                      |                       |                      |   |           |
|   | 22              | <b>OTHER RESERVES</b>  |                      |                       |                      |   |           |
|   | 23              |  |                      |                       |                      |   |           |
|   | 24              |  |                      |                       |                      |   |           |
|   | 25              |  |                      |                       |                      |   |           |
|   | 26              |  |                      |                       |                      |   |           |
|   | 27              |  |                      |                       |                      |   |           |
|   | 28              |  |                      |                       |                      |   |           |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b>                     | 711,417              | 721,100               | 700,000              | 700,000   |           |
|   | 30              | <b>CLOSING BALANCE</b>                                       | 21,053               | 0                     | 0                    | 0   |           |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE | CODES                    | TITLES                                    | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |                      |                      |           |
|---|--------------------------|---|---|----------------------|----------------------|-----------|
|   | 395                      | Department of Transportation              |   |                      |                      |           |
|   | 05                       | Motor Vehicle Services and Enforcement    |   |                      |                      |           |
|   | 02                       | General Fund                              |   |                      |                      |           |
|   | 527                      | Breath screening instruments, state funds |   |                      |                      |           |
| PR  | Program Revenue          |   |   |                      |                      |           |
|   | REVENUE AND EXPENDITURES | PRIOR YEAR<br>ACTUAL                      | BASE YEAR<br>ESTIMATE                             | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br><br>S<br>E<br>C<br>T<br>O<br>R                       | 01                       | <b>OPENING BALANCE (PR OR SEG)</b>        | 0   | 0                    | 0                    | 0         |
|   | 02                       | <b>GPR-EARNED OR PROGRAM REVENUES</b>     |   |                      |                      |           |
|   | 03                       | Transfer from DHFS OWI Surcharge Fund for | 150,051   | 299,200              | 299,200              | 299,200   |
|   | 04                       | Intoximeter EC/IR Replacement             |   |                      |                      |           |
|   | 05                       |   |   |                      |                      |           |
|   | 06                       |   |   |                      |                      |           |
|   | 07                       |   |   |                      |                      |           |
|   | 08                       |   |   |                      |                      |           |
|   | 09                       |   |   |                      |                      |           |
|   | 10                       |   |   |                      |                      |           |
|   | 11                       |   |   |                      |                      |           |
|   | 12                       |   |   |                      |                      |           |
|   | 13                       |   |   |                      |                      |           |
|   | 14                       |   |   |                      |                      |           |
|   | 15                       |   |   |                      |                      |           |
|   | 16                       | <b>TOTAL REVENUE</b>                      | 150,051   | 299,200              | 299,200              | 299,200   |
|   | 17                       | <b>TOTAL AVAILABLE</b>                    | 150,051   | 299,200              | 299,200              | 299,200   |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18                       | <b>B-2 EXPENDITURES TOTAL</b>             | 150,051   | 299,200              | 299,200              | 299,200   |
|   | 19                       |   |   |                      |                      |           |
|   | 20                       | <b>EMPLOYE COMPENSATION RESERVES</b>      |   |                      |                      |           |
|   | 21                       | <b>HEALTH INSURANCE RESERVE</b>           |   |                      |                      |           |
|   | 22                       | <b>OTHER RESERVES</b>                     |   |                      |                      |           |
|   | 23                       |   |   |                      |                      |           |
|   | 24                       |   |   |                      |                      |           |
|   | 25                       |   |   |                      |                      |           |
|   | 26                       |   |   |                      |                      |           |
|   | 27                       |   |   |                      |                      |           |
|   | 28                       |   |   |                      |                      |           |
|   | 29                       | <b>TOTAL EXPENDITURES &amp; RESERVES</b>  | 150,051   | 299,200              | 299,200              | 299,200   |
|   | 30                       | <b>CLOSING BALANCE</b>                    | 0   | 0                    | 0                    | 0         |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES                                    | TITLES  |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>1</u>                   |
|---|-----------------|--|---|-----------------------|----------------------|----------------------|--|
|   |                 | 395                                      | Department of Transportation                        |                       |                      |                      |  |
|   |                 | 05                                       | Motor Vehicle Services and Enforcement              |                       |                      |                      |  |
|   |                 | 02                                       | General Fund  |                       |                      |                      |  |
|   |                 | 528                                      | Chemical testing training and services, state funds |                       |                      |                      |  |
| PR  | Program Revenue |  |   |                       |                      |                      |  |
|   |                 | REVENUE AND EXPENDITURES                 | PRIOR YEAR<br>ACTUAL                                | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>       | 0   | 0                     | 0                    | 0                    | * See detailed calculation<br>in Comp Reserves and<br>HI Piece worksheets. |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>    |   |                       |                      |                      |  |
|   | 03              | DHFS OWI Surcharge, State Funds          | 1,079,311   | 1,080,000             | 1,080,000            | 1,080,000            |  |
|   | 04              | Increase for Employee Compensation       | N/A   | N/A                   | 16,100               | 32,400               |  |
|   | 05              | Increase for Health Insurance            | N/A   | N/A                   | 14,700               | 28,700               |  |
|   | 06              |  |   |                       |                      |                      |  |
|   | 07              |  |   |                       |                      |                      |  |
|   | 08              |  |   |                       |                      |                      |  |
|   | 09              |  |   |                       |                      |                      |  |
|   | 10              |  |   |                       |                      |                      |  |
|   | 11              |  |   |                       |                      |                      |  |
|   | 12              |  |   |                       |                      |                      |  |
|   | 13              |  |   |                       |                      |                      |  |
|   | 14              |  |   |                       |                      |                      |  |
|   | 15              |  |   |                       |                      |                      |  |
|   | 16              | <b>TOTAL REVENUE</b>                     | 1,079,311   | 1,080,000             | 1,110,800            | 1,141,100            |  |
|   | 17              | <b>TOTAL AVAILABLE</b>                   | 1,079,311   | 1,080,000             | 1,110,800            | 1,141,100            |  |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>            | 1,079,311   | 1,080,000             | 1,080,000            | 1,080,000            |  |
|   | 19              |  |   |                       |                      |                      |  |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>     | N/A   | N/A                   | 16,100               | 32,400               |  |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>          | N/A   | N/A                   | 14,700               | 28,700               |  |
|   | 22              | <b>OTHER RESERVES</b>                    |   |                       |                      |                      |  |
|   | 23              |  |   |                       |                      |                      |  |
|   | 24              |  |   |                       |                      |                      |  |
|   | 25              |  |   |                       |                      |                      |  |
|   | 26              |  |   |                       |                      |                      |  |
|   | 27              |  |   |                       |                      |                      |  |
|   | 28              |  |   |                       |                      |                      |  |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b> | 1,079,311   | 1,080,000             | 1,110,800            | 1,141,100            |  |
|   | 30              | <b>CLOSING BALANCE</b>                   | 0   | 0                     | 0                    | 0                    |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES   | TITLES                                      |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>1</u> |
|---|-----------------|---|---|-----------------------|----------------------|----------------------|--|
|   |                 | 395   | Department of Transportation                |                       |                      |                      |  |
|   |                 | 05  | Motor Vehicle Services and Enforcement      |                       |                      |                      |  |
|   |                 | 02  | General Fund                                |                       |                      |                      |  |
|   |                 | 529   | Public safety radio management, state funds |                       |                      |                      |  |
| PR  | Program Revenue |   |   |                       |                      |                      |  |
|   |                 | REVENUE AND EXPENDITURES                      | PRIOR YEAR<br>ACTUAL                        | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>            | 37,767                                      | 56,500                | 0                    | 0                    |  |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>         |   |                       |                      |                      |  |
|   | 03              | Leased tower revenues and misc. radio repairs | 37,461                                      | 22,000                | 22,000               | 22,000               |  |
|   | 04              |   |   |                       |                      |                      |  |
|   | 05              |   |   |                       |                      |                      |  |
|   | 06              |   |   |                       |                      |                      |  |
|   | 07              |   |   |                       |                      |                      |  |
|   | 08              |   |   |                       |                      |                      |  |
|   | 09              |   |   |                       |                      |                      |  |
|   | 10              |   |   |                       |                      |                      |  |
|   | 11              |   |   |                       |                      |                      |  |
|   | 12              |   |   |                       |                      |                      |  |
|   | 13              |   |   |                       |                      |                      |  |
|   | 14              |   |   |                       |                      |                      |  |
|   | 15              |   |   |                       |                      |                      |  |
|   | 16              | <b>TOTAL REVENUE</b>                          | 37,461                                      | 22,000                | 22,000               | 22,000               |  |
|   | 17              | <b>TOTAL AVAILABLE</b>                        | 75,228                                      | 78,500                | 22,000               | 22,000               |  |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>                 | 18,690                                      | 78,500                | 22,000               | 22,000               |  |
|   | 19              |   |   |                       |                      |                      |  |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>          |   |                       |                      |                      |  |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>               |   |                       |                      |                      |  |
|   | 22              | <b>OTHER RESERVES</b>                         |   |                       |                      |                      |  |
|   | 23              |   |   |                       |                      |                      |  |
|   | 24              |   |   |                       |                      |                      |  |
|   | 25              |   |   |                       |                      |                      |  |
|   | 26              |   |   |                       |                      |                      |  |
|   | 27              |   |   |                       |                      |                      |  |
|   | 28              |   |   |                       |                      |                      |  |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b>      | 18,690                                      | 78,500                | 22,000               | 22,000               |  |
|   | 30              | <b>CLOSING BALANCE</b>                        | 56,538                                      | 0                     | 0                    | 0                    |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES                                     | TITLES                                 |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>1</u> |
|---|-----------------|---|--|-----------------------|----------------------|----------------------|--|
|   |                 | 395                                       | Department of Transportation           |                       |                      |                      |  |
|   |                 | 05  | Motor Vehicle Services and Enforcement |                       |                      |                      |  |
|   |                 | 02  | General Fund                           |                       |                      |                      |  |
|   |                 | 531                                       | Safe-ride grant program; state funds   |                       |                      |                      |  |
| PR  | Program Revenue |   |  |                       |                      |                      |  |
|   |                 | REVENUE AND EXPENDITURES                  | PRIOR YEAR<br>ACTUAL                   | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>        | 258,586                                | 35,900                | 0                    | 0                    |  |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>     |  |                       |                      |                      |  |
|   | 03              | Transfer from DHFS OWI Surcharge Fund for | 409,790                                | 360,000               | 360,000              | 360,000              |  |
|   | 04              | Safe-ride Grant Program                   |  |                       |                      |                      |  |
|   | 05              |   |  |                       |                      |                      |  |
|   | 06              |   |  |                       |                      |                      |  |
|   | 07              |   |  |                       |                      |                      |  |
|   | 08              |   |  |                       |                      |                      |  |
|   | 09              |   |  |                       |                      |                      |  |
|   | 10              |   |  |                       |                      |                      |  |
|   | 11              |   |  |                       |                      |                      |  |
|   | 12              |   |  |                       |                      |                      |  |
|   | 13              |   |  |                       |                      |                      |  |
|   | 14              |   |  |                       |                      |                      |  |
|   | 15              |   |  |                       |                      |                      |  |
|   | 16              | <b>TOTAL REVENUE</b>                      | 409,790                                | 360,000               | 360,000              | 360,000              |  |
|   | 17              | <b>TOTAL AVAILABLE</b>                    | 668,376                                | 395,900               | 360,000              | 360,000              |  |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>             | 632,446                                | 395,900               | 360,000              | 360,000              |  |
|   | 19              |   |  |                       |                      |                      |  |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>      |  |                       |                      |                      |  |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>           |  |                       |                      |                      |  |
|   | 22              | <b>OTHER RESERVES</b>                     |  |                       |                      |                      |  |
|   | 23              |   |  |                       |                      |                      |  |
|   | 24              |   |  |                       |                      |                      |  |
|   | 25              |   |  |                       |                      |                      |  |
|   | 26              |   |  |                       |                      |                      |  |
|   | 27              |   |  |                       |                      |                      |  |
|   | 28              |   |  |                       |                      |                      |  |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b>  | 632,446                                | 395,900               | 360,000              | 360,000              |  |
|   | 30              | <b>CLOSING BALANCE</b>                    | 35,930                                 | 0                     | 0                    | 0                    |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES                                    | TITLES                                     |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>1</u> |
|---|-----------------|--|--|-----------------------|----------------------|----------------------|--|
|   |                 | 395                                      | Department of Transportation               |                       |                      |                      |  |
|   |                 | 05                                       | Motor Vehicle Services and Enforcement     |                       |                      |                      |  |
|   |                 | 02                                       | General Fund                               |                       |                      |                      |  |
|   |                 | 534                                      | Payments to the Wisconsin Lions Foundation |                       |                      |                      |  |
| PR  | Program Revenue |  |  |                       |                      |                      |  |
|   |                 | REVENUE AND EXPENDITURES                 | PRIOR YEAR<br>ACTUAL                       | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE  |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>       | 16,150                                     | 0                     | 0                    | 0                    |  |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>    |  |                       |                      |                      |  |
|   | 03              |  | 295  | 16,500                | 16,500               | 16,500               |  |
|   | 04              |  |  |                       |                      |                      |  |
|   | 05              |  |  |                       |                      |                      |  |
|   | 06              |  |  |                       |                      |                      |  |
|   | 07              |  |  |                       |                      |                      |  |
|   | 08              |  |  |                       |                      |                      |  |
|   | 09              |  |  |                       |                      |                      |  |
|   | 10              |  |  |                       |                      |                      |  |
|   | 11              |  |  |                       |                      |                      |  |
|   | 12              |  |  |                       |                      |                      |  |
|   | 13              |  |  |                       |                      |                      |  |
|   | 14              |  |  |                       |                      |                      |  |
|   | 15              |  |  |                       |                      |                      |  |
|   | 16              | <b>TOTAL REVENUE</b>                     | 295  | 16,500                | 16,500               | 16,500               |  |
|   | 17              | <b>TOTAL AVAILABLE</b>                   | 16,445                                     | 16,500                | 16,500               | 16,500               |  |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>            | 16,445                                     | 16,500                | 16,500               | 16,500               |  |
|   | 19              |  |  |                       |                      |                      |  |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>     |  |                       |                      |                      |  |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>          |  |                       |                      |                      |  |
|   | 22              | <b>OTHER RESERVES</b>                    |  |                       |                      |                      |  |
|   | 23              |  |  |                       |                      |                      |  |
|   | 24              |  |  |                       |                      |                      |  |
|   | 25              |  |  |                       |                      |                      |  |
|   | 26              |  |  |                       |                      |                      |  |
|   | 27              |  |  |                       |                      |                      |  |
|   | 28              |  |  |                       |                      |                      |  |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b> | 16,445                                     | 16,500                | 16,500               | 16,500               |  |
|   | 30              | <b>CLOSING BALANCE</b>                   | 0  | 0                     | 0                    | 0                    |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |   | CODES                | TITLES  |                      |                      |           | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page <u>  1  </u> |
|---|---|----------------------|---|----------------------|----------------------|-----------|--|
|   |   | 395                  | Department of Transportation                      |                      |                      |           |  |
|   |   | 05                   | Motor Vehicle Services and Enforcement            |                      |                      |           |  |
|   |   | 02                   | General Fund                                      |                      |                      |           |  |
|   |   | 535                  | Motorcycle safety program supplement, state funds |                      |                      |           |  |
| PR  | Program Revenue                             |                      |   |                      |                      |           |  |
|   | REVENUE AND EXPENDITURES                    | PRIOR YEAR<br>ACTUAL | BASE YEAR<br>ESTIMATE                             | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE |  |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01 <b>OPENING BALANCE (PR OR SEG)</b>       | 98,750               | 57,900  | 0                    | 0                    |           |  |
|   | 02 <b>GPR-EARNED OR PROGRAM REVENUES</b>    |                      |   |                      |                      |           |  |
|   | 03  | 50,205               | 42,100  | 75,000               | 75,000               |           |  |
|   | 04  |                      |   |                      |                      |           |  |
|   | 05  |                      |   |                      |                      |           |  |
|   | 06  |                      |   |                      |                      |           |  |
|   | 07  |                      |   |                      |                      |           |  |
|   | 08  |                      |   |                      |                      |           |  |
|   | 09  |                      |   |                      |                      |           |  |
|   | 10  |                      |   |                      |                      |           |  |
|   | 11  |                      |   |                      |                      |           |  |
|   | 12  |                      |   |                      |                      |           |  |
|   | 13  |                      |   |                      |                      |           |  |
|   | 14  |                      |   |                      |                      |           |  |
|   | 15  |                      |   |                      |                      |           |  |
|   | 16 <b>TOTAL REVENUE</b>                     | 50,205               | 42,100  | 75,000               | 75,000               |           |  |
|   | 17 <b>TOTAL AVAILABLE</b>                   | 148,955              | 100,000   | 75,000               | 75,000               |           |  |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18 <b>B-2 EXPENDITURES TOTAL</b>            | 91,086               | 100,000   | 75,000               | 75,000               |           |  |
|   | 19  |                      |   |                      |                      |           |  |
|   | 20 <b>EMPLOYE COMPENSATION RESERVES</b>     |                      |   |                      |                      |           |  |
|   | 21 <b>HEALTH INSURANCE RESERVE</b>          |                      |   |                      |                      |           |  |
|   | 22 <b>OTHER RESERVES</b>                    |                      |   |                      |                      |           |  |
|   | 23  |                      |   |                      |                      |           |  |
|   | 24  |                      |   |                      |                      |           |  |
|   | 25  |                      |   |                      |                      |           |  |
|   | 26  |                      |   |                      |                      |           |  |
|   | 27  |                      |   |                      |                      |           |  |
|   | 28  |                      |   |                      |                      |           |  |
|   | 29 <b>TOTAL EXPENDITURES &amp; RESERVES</b> | 91,086               | 100,000   | 75,000               | 75,000               |           |  |
|   | 30 <b>CLOSING BALANCE</b>                   | 57,869               | 0   | 0                    | 0                    |           |  |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |                 | CODES                                    | TITLES                                     |                       |                      |                      | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |
|---|-----------------|--|--|-----------------------|----------------------|----------------------|---|
|   |                 | 395                                      | Department of Transportation               |                       |                      |                      |   |
|   |                 | 05                                       | Motor Vehicle Services and Enforcement     |                       |                      |                      |   |
|   |                 | 02                                       | General Fund                               |                       |                      |                      |   |
|   |                 | 536                                      | Baseball plate licensing fees, state funds |                       |                      |                      |   |
| PR  | Program Revenue |  |  |                       |                      |                      |   |
|   |                 | REVENUE AND EXPENDITURES                 | PRIOR YEAR<br>ACTUAL                       | BASE YEAR<br>ESTIMATE | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01              | <b>OPENING BALANCE (PR OR SEG)</b>       | 0  | 0                     | 0                    | 0                    |   |
|   | 02              | <b>GPR-EARNED OR PROGRAM REVENUES</b>    |  |                       |                      |                      |   |
|   | 03              |  | 4,610                                      | 5,000                 | 5,000                | 5,000                |   |
|   | 04              |  |  |                       |                      |                      |   |
|   | 05              |  |  |                       |                      |                      |   |
|   | 06              |  |  |                       |                      |                      |   |
|   | 07              |  |  |                       |                      |                      |   |
|   | 08              |  |  |                       |                      |                      |   |
|   | 09              |  |  |                       |                      |                      |   |
|   | 10              |  |  |                       |                      |                      |   |
|   | 11              |  |  |                       |                      |                      |   |
|   | 12              |  |  |                       |                      |                      |   |
|   | 13              |  |  |                       |                      |                      |   |
|   | 14              |  |  |                       |                      |                      |   |
|   | 15              |  |  |                       |                      |                      |   |
|   | 16              | <b>TOTAL REVENUE</b>                     | 4,610                                      | 5,000                 | 5,000                | 5,000                |   |
|   | 17              | <b>TOTAL AVAILABLE</b>                   | 4,610                                      | 5,000                 | 5,000                | 5,000                |   |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18              | <b>B-2 EXPENDITURES TOTAL</b>            | 4,608                                      | 5,000                 | 5,000                | 5,000                |   |
|   | 19              |  |  |                       |                      |                      |   |
|   | 20              | <b>EMPLOYE COMPENSATION RESERVES</b>     |  |                       |                      |                      |   |
|   | 21              | <b>HEALTH INSURANCE RESERVE</b>          |  |                       |                      |                      |   |
|   | 22              | <b>OTHER RESERVES</b>                    |  |                       |                      |                      |   |
|   | 23              |  |  |                       |                      |                      |   |
|   | 24              |  |  |                       |                      |                      |   |
|   | 25              |  |  |                       |                      |                      |   |
|   | 26              |  |  |                       |                      |                      |   |
|   | 27              |  |  |                       |                      |                      |   |
|   | 28              |  |  |                       |                      |                      |   |
|   | 29              | <b>TOTAL EXPENDITURES &amp; RESERVES</b> | 4,608                                      | 5,000                 | 5,000                | 5,000                |   |
|   | 30              | <b>CLOSING BALANCE</b>                   | 2  | 0                     | 0                    | 0                    |   |

| DEPARTMENT<br>PROGRAM<br>FUND<br>NUMERIC APPROPRIATION<br>DECISION ITEM<br>REVENUE TYPE |  | CODES                | TITLES  |                      |                      |           | REVENUE AND<br>BALANCES FORM<br>B-3<br><br>Page 1 |
|---|--|----------------------|---|----------------------|----------------------|-----------|---|
|   |  | 395                  | Department of Transportation                  |                      |                      |           |   |
|   |  | 05                   | Motor Vehicle Services and Enforcement        |                      |                      |           |   |
|   |  | 02                   | General Fund                                  |                      |                      |           |   |
|   |  | 566                  | Traffic academy tuition payments, state funds |                      |                      |           |   |
| PR  | Program Revenue                                  |                      |   |                      |                      |           |   |
|   | REVENUE AND EXPENDITURES                         | PRIOR YEAR<br>ACTUAL | BASE YEAR<br>ESTIMATE                         | 1st YEAR<br>ESTIMATE | 2nd YEAR<br>ESTIMATE | NARRATIVE |   |
| R<br>E<br>V<br>E<br>N<br>U<br>E<br>S  | 01 <b>OPENING BALANCE (PR OR SEG)</b>            | 255,094              | 352,700                                       | 0                    | 0                    |           |   |
|   | 02 <b>GPR-EARNED OR PROGRAM REVENUES</b>         |                      |   |                      |                      |           |   |
|   | 03 Tuition from training at State Patrol academy | 748,613              | 350,000                                       | 750,000              | 750,000              |           |   |
|   | 04   |                      |   |                      |                      |           |   |
|   | 05   |                      |   |                      |                      |           |   |
|   | 06   |                      |   |                      |                      |           |   |
|   | 07   |                      |   |                      |                      |           |   |
|   | 08   |                      |   |                      |                      |           |   |
|   | 09   |                      |   |                      |                      |           |   |
|   | 10   |                      |   |                      |                      |           |   |
|   | 11   |                      |   |                      |                      |           |   |
|   | 12   |                      |   |                      |                      |           |   |
|   | 13   |                      |   |                      |                      |           |   |
|   | 14   |                      |   |                      |                      |           |   |
|   | 15   |                      |   |                      |                      |           |   |
|   | 16 <b>TOTAL REVENUE</b>                          | 748,613              | 350,000                                       | 750,000              | 750,000              |           |   |
|   | 17 <b>TOTAL AVAILABLE</b>                        | 1,003,707            | 702,700                                       | 750,000              | 750,000              |           |   |
| E<br>X<br>P<br>E<br>N<br>D<br>I<br>T<br>U<br>R<br>E<br>S                                | 18 <b>B-2 EXPENDITURES TOTAL</b>                 | 650,997              | 702,700                                       | 750,000              | 750,000              |           |   |
|   | 19 PR Cash Lapse                                 |                      |   |                      |                      |           |   |
|   | 20 <b>EMPLOYE COMPENSATION RESERVES</b>          |                      |   |                      |                      |           |   |
|   | 21 <b>HEALTH INSURANCE RESERVE</b>               |                      |   |                      |                      |           |   |
|   | 22 <b>OTHER RESERVES</b>                         |                      |   |                      |                      |           |   |
|   | 23   |                      |   |                      |                      |           |   |
|   | 24   |                      |   |                      |                      |           |   |
|   | 25   |                      |   |                      |                      |           |   |
|   | 26   |                      |   |                      |                      |           |   |
|   | 27   |                      |   |                      |                      |           |   |
|   | 28   |                      |   |                      |                      |           |   |
|   | 29 <b>TOTAL EXPENDITURES &amp; RESERVES</b>      | 650,997              | 702,700                                       | 750,000              | 750,000              |           |   |
|   | 30 <b>CLOSING BALANCE</b>                        | 352,710              | 0   | 0                    | 0                    |           |   |

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Department-wide

**ISSUE TITLE:** Increase Motor Vehicle Fuel Tax Revenues

**REQUEST:**

Provide \$152,175,500 SEG in FY 16 and \$206,275,000 SEG in FY 17 resulting from a change in state tax rates and tax structure for gasoline and diesel-fuel consumed for highway use.

The tax structure for motor fuel will include both a fixed-rate per gallon tax and variable tax based on a percentage applied to annual average wholesale price converted to a cents-per-gallon charge for collection purposes. The total motor vehicle fuel tax on gasoline will upon implementation increase from \$0.309 to \$0.359 per gallon. The total motor vehicle fuel tax on diesel fuel intended for highway use will upon implementation increase from \$0.309 to \$0.409 per gallon.

**SUMMARY:**

The Wisconsin Department of Revenue (DOR) currently collects a flat-rate excise tax on gasoline used to power motor vehicles and diesel fuel intended for highway use. These revenues are used to fund a variety of transportation needs, including state and local transportation facilities, aids to local governments, and department operations.

Under this proposal, the existing state excise tax for gasoline and diesel fuel consumed for highway use is reduced to \$0.135 for all grades of gasoline and \$0.163 for diesel fuel intended for highway use. A new variable component based on wholesale price is added. For purposes of calculating a new 8 percent variable tax component of the excise tax, a permanent minimum wholesale price of \$3.081 per gallon for diesel fuel and \$2.800 per gallon for all grades of gasoline would be established beginning September 1, 2015. This proposal increases the annual cost of operation for a mid-size sedan by about \$28 annually in Wisconsin.

Table 1 demonstrates the proposed increase in motor vehicle fuel taxes for gasoline and diesel fuel intended for highway use:

**Table 1  
Comparison of Current and Proposed  
Motor Vehicle Fuel Tax**

| <b>Fuel Type</b> | <b>Current Rate</b> | <b>Proposed Fixed Rate</b> | <b>Proposed Variable Rate @ 8% of Average Wholesale Price</b> | <b>Total Proposed Rate</b> | <b>Increase %</b> |
|------------------|---------------------|----------------------------|---|----------------------------|-------------------|
| Gasoline         | \$0.309             | \$0.135                    | \$0.224   | \$0.359                    | 16.2%             |
| Diesel Fuel      | \$0.309             | \$0.163                    | \$0.246   | \$0.409                    | 32.4%             |

Rates will also be adjusted according to the formula currently described in s. 78.405 Wis. Stats. for each alternative fuel sold in the state. Currently this includes liquefied propane gas (LPG), compressed natural gas (CNG), and liquefied natural gas (LNG). This proposal does not impact the general aviation fuel tax rate.

As outlined in current law, s. 78.22 Wis. Stats., a floor tax will be imposed on the date that the motor vehicle fuel tax rate change becomes effective on any motor vehicle fuel held for sale or resale and on which the motor vehicle fuel tax already has been imposed.

Under this proposal, on April 1, 2016, and each April 1 thereafter, DOR is required to adjust the cents-per-gallon tax resulting from the 8 percent tax applied to the average annual wholesale price of gasoline and diesel fuel. The average annual wholesale price of gasoline and diesel fuel in Wisconsin will be determined by DOR based on wholesale price information obtained from the federal Energy Information Administration. Increases to the total tax rate on motor vehicle fuel due to changes in the annual average wholesale prices of gasoline and diesel fuel may not exceed five percent on April 1, 2017 and each April 1 thereafter. The Department of Transportation is required to publically announce the new rate.

With a tax mechanism in place as outlined above the sum of the fixed rate tax and the 8 percent tax applied to a minimum wholesale price of motor vehicle fuel can never be lower than \$0.359 for gasoline and \$0.409 for diesel fuel. Under this proposal all refunds of motor vehicle tax allowed under current law and all exemptions to motor vehicle fuel tax will remain in effect.

Costs to DOR for implementing changes to the motor fuel tax include:

- \$65,000 for Excise Tax Unit staffing in FY 16 and in FY 17.
- \$300,000 for computer programming consultant services as a one-time cost in FY 16.

These costs are reflected as an increased expenditure under "Other Agencies" in the appropriation for motor fuel tax administration defined under s.20.566(1)(u), Wis. Stats., in the Department's Fund condition.

**JUSTIFICATION:**

Tax and fee revenues fund a variety of transportation needs including but not limited to development of state and local transportation facilities, debt service on transportation revenue bonds (TRB) and general obligation (GO) bonds, highway operations and maintenance, aids to local units of government, and department operations.

The Transportation Fund has a structural deficit going into the 2015-17 biennium. Under current-law state revenues the Department anticipates a \$300 million shortfall at the end of FY 17. This deficit includes only the cost to continue existing operations, which includes FY 15 appropriation base amounts, standard budget adjustments, other agency transfers, and additional GO debt service requirements from recently issued bonds. This deficit does not include any new funding initiatives and does not provide sufficient funding for the Southeastern Wisconsin Megaprojects Program to keep current projects on schedule.

The potential for increased federal transportation funds to meet these needs over the short term are uncertain and prospects for maintaining current federal revenue levels over the next decade are unclear.

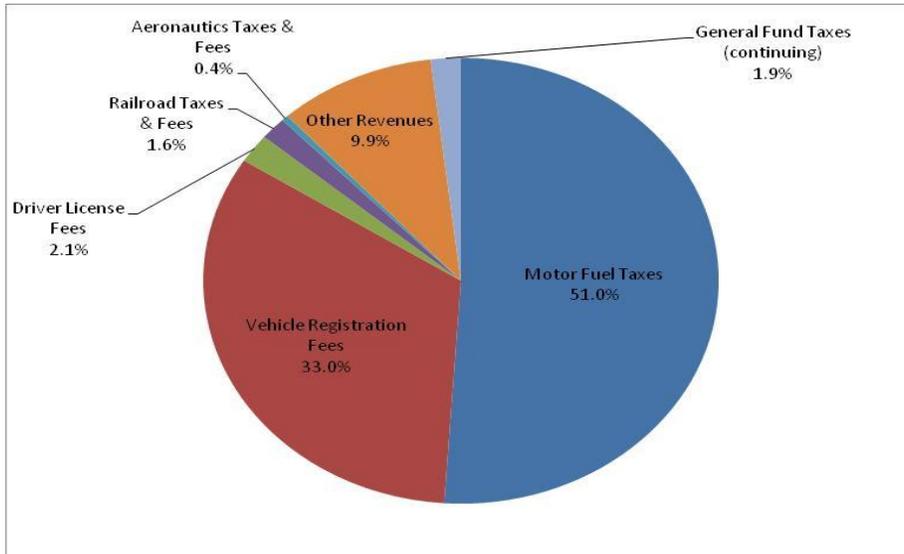
The Department faces significant new transportation costs in the coming biennium, including but not limited to:

- \$791 million over the biennium for the Southeastern Wisconsin Megaprojects Program, including funding to complete the Zoo Interchange and continue work on the I-94 North-South reconstruction;
- \$40 million to fund an increase in the Local Transportation Assistance program;
- \$57.7 million for additional Highway Maintenance Program funding;
- \$57.2 million for additional Traffic Operations Program funding.

The Wisconsin Transportation Finance and Policy Commission found that the Department needed additional revenue even to meet modest additional needs. In the longer term, the Commission found that without additional funding over the next decade state highway network conditions and safety will deteriorate, and department services to individuals and businesses that rely on those services will be negatively impacted.

The current revenue base for the Transportation Fund relies largely on motor fuel taxes and vehicle registration fees:

**Table 2**  
**Transportation State Tax and Fee Revenue**  
**(FY 15, 2013 Wisconsin Act 20)**



Other revenue includes motor carrier fees, miscellaneous department and motor vehicle fees, investment earnings, and one-time transfers from the General Fund and the Petroleum Inspection Fund.

There have been no increases to the motor vehicle fuel tax rate since 2006 and vehicle registration rates for automobiles, vans, SUV's, light and heavy trucks have not been raised since 2008. Natural revenue growth from increases in vehicle registration is expected to be less than three percent in the 2015-17 biennium.

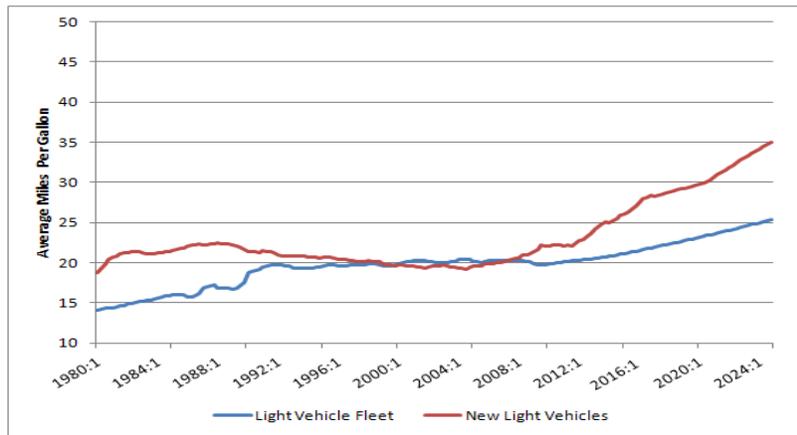
Based only on increases in motor fuel consumption, motor vehicle fuel tax revenue is expected to grow less than two percent in the 2015-17 biennium. This follows almost a decade of relatively flat or declining annual tax revenue from motor vehicle fuel:

**Table 3**  
**State Motor Vehicle Fuel Tax Revenue**

| FY   | Revenue (millions) | % Change |
|------|--------------------|----------|
| 2004 | 934.6              | 3.56%    |
| 2005 | 955.5              | 2.24%    |
| 2006 | 962.8              | 0.76%    |
| 2007 | 1006.0             | 4.49%    |
| 2008 | 999.9              | -0.60%   |
| 2009 | 968.8              | -3.11%   |
| 2010 | 971.8              | 0.31%    |
| 2011 | 988.3              | 1.70%    |
| 2012 | 983.9              | -0.45%   |
| 2013 | 967.0              | -1.71%   |
| 2014 | 999.4              | 3.35%    |

As fuel efficiency of motor vehicles increases, the Department will collect less motor vehicle fuel tax revenue for the same amount of vehicle miles traveled (VMT). The growing popularity of hybrid and electric power train vehicles, and increasing federal CAFÉ standards over the next decade are expected to significantly lift new light vehicle efficiency and in turn, the overall efficiency of Wisconsin's light vehicle fleet by about 23 percent.

**Table 4  
Estimated Light Vehicle Fuel Efficiency**



Confronted with identical technology impacts on revenue and growing transportation needs, lawmakers in California, Oregon and Washington State are providing funding to study VMT charges as a replacement for the motor fuel tax. Six states and the District of Columbia have recently increased and/or restructured motor vehicle fuel tax rates:

- District of Columbia – Replaced the flat tax with a percentage based tax of 8.3 percent of the wholesale price of gasoline and diesel fuel.
- Maryland – Reduced the flat tax rate and indexed the remaining flat tax amount to inflation. Applied a 1 percent sales tax rate to the wholesale price of fuel, with a potential increase to 5 percent of wholesale price by 2017.
- Massachusetts – Increased the flat tax rate by 3-cpg and indexed the rate to inflation.
- New Hampshire – Increased the flat tax rate by 4.2-cpg.
- Pennsylvania – Repealed the flat tax rate and raised a variable rate tax collected from wholesalers by lifting a cap on the tax, resulting in an estimated 28-cpg increase over the next five years.
- Virginia – Replaced the flat tax rate with a percentage based tax of 3.5% of the wholesale price of gasoline and 6% of the wholesale price of diesel fuel. Owners of vehicles having a gross weight of 10,000 lbs or less are eligible for a refund equal to 2.5 percent of tax paid on diesel fuel.
- Wyoming – Increased the flat tax rate by 10-cpg.

Lawmakers in Delaware, Idaho, Iowa, Kentucky, Louisiana, Maine, Michigan, Minnesota, Mississippi, Nevada, New Jersey, New Mexico, Rhode Island, South Carolina, Utah, and West Virginia have recently considered but not adopted bills to increase motor fuel taxes.

The new fuel tax mechanism proposed will provide a significant amount of additional revenue so the Transportation Fund can meet growing transportation needs. In addition, several benefits from the new motor fuel tax structure include:

- All users of Wisconsin’s roads, including out-of-state drivers pay the motor vehicle fuel tax.
- The variable fuel tax component provides an opportunity for fuel tax revenue growth, assuming that fuel costs increase over time.
- The fixed rate per gallon component reduces the potential volatility of a tax based entirely on wholesale price.
- The higher fixed rate for diesel fuel consumed for highway use imposes additional costs on commercial vehicles that inflict the greatest amount of highway damage.
- A vehicle registration tax credit can be created for diesel passenger vehicles that inflict no greater highway damage than gasoline-powered passenger vehicles.
- Interstate trucking firms responsible for inflicting damage to Wisconsin highways will pay their fair share of additional revenue through increased diesel fuel taxes.
- Higher diesel fuel rates reduce the need for raising annual truck registration fees in the immediate future.

Table 5 summarizes several examples of states with a history of successfully blending fixed rate taxes with taxes based on a percent of fuel price:

**Table 5  
Blended Motor Vehicle Tax Rates In Selected States**

| <b>State</b>   | <b>Fixed Rate Taxes</b>                            | <b>Variable Rate Taxes</b>   |
|----------------|--|--|
| Nebraska       | Two separate flat rate taxes (2.8-cpg and 7.5-cpg) | Three separate variable taxes: (1) based on debt service requirements; (2) based on an amount sufficient to meet the appropriations made by the Legislature; and (3) a tax rate of 5% applied to wholesale price.  |
| New York       | 8-cpg  | Two separate variable taxes: (1) a cpg-tax adjusted annually to changes in a petroleum price index, and (2) a supplementary cpg-tax also adjusted annually to changes in a petroleum price index.  |
| North Carolina | 17.5-cpg   | The greater of 3.5-cpg or 7% of the wholesale price  |
| Vermont        | 12.1-cpg   | Two separate variable assessments: (1) an assessment adjusted quarterly based on 2% of the average quarterly retail price exclusive of all federal and state taxes; and (2) an assessment adjusted quarterly in the amount of 13.4-cpg or 4% of the tax adjusted retail price, not to exceed 18.0-cpg, whichever is greater. |
| West Virginia  | 20.5-cpg   | Tax rate of 5% applied to wholesale price.   |

Differential excise tax rates are not uncommon in other states, including upper Midwestern states. Table 6 shows the state excise rates for gasoline and diesel fuel intended for highway use in Wisconsin’s neighboring states and Indiana. Rates are shown in cents-per-gallon:

**Table 6**  
**State Excise Tax Rates for Gasoline and Diesel Fuel**  
**Upper Midwestern States**

| State     | Gasoline | Diesel Fuel |
|-----------|----------|-------------|
| Illinois  | \$0.190  | \$0.215     |
| Indiana   | \$0.180  | \$0.160     |
| Iowa      | \$0.210  | \$0.225     |
| Michigan  | \$0.190  | \$0.150     |
| Minnesota | \$0.285  | \$0.285     |

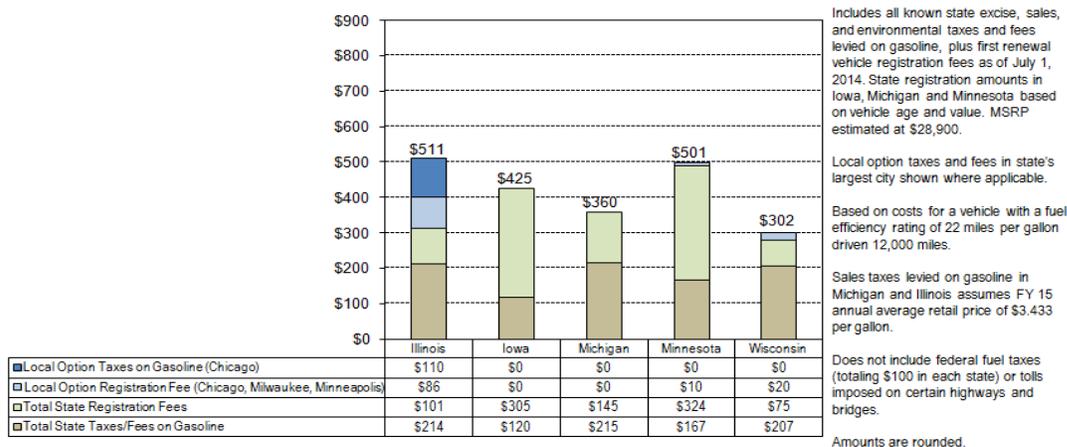
Wisconsin is faced with significant transportation challenges during the coming biennium and the years ahead. As described in the report of the Wisconsin Transportation Finance and Policy Commission:

*...The state's roads, bridges, railways, harbors, airports and transit facilities are getting older and more congested. A growing segment of the population is aging and increasingly dependent on public transit services. Wisconsin's economic future and the safety of all its residents and visitors depend on a quality transportation network that can efficiently move people to jobs, raw materials to factories, finished products to markets, and tourists to their destinations... The future of that system is now at risk due to declining revenues and inadequate investment...*

The transformation of Wisconsin's fuel tax structure coupled with a modest increase in rates will revitalize a deteriorating source of transportation revenue that is still relatively stable and predictable, with some potential for natural growth when petroleum prices eventually rise above their current levels. It is a revenue solution that is easy to understand and explain to users. The Department's proposal will also help maintain a user-based system of transportation finance in Wisconsin, without recourse to unsustainable levels of debt in the decades to come.

Even with an increase in motor vehicle fuel taxes on gasoline, when the full range of annual taxes and fees on gasoline, and passenger vehicle registration and registration-related fees and taxes are considered, costs in Wisconsin are still the lowest among neighboring states.

**Table 7**  
**Estimated Annual Fees and Taxes**



**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**TOPIC:** Increase Motor Vehicle Fuel Tax Revenues

**DESCRIPTION OF CHANGE:** Amend s. 78.015 Wis. Stats., to modify the tax rate and tax structure for gasoline and diesel fuel consumed for highway use.

Under this proposal the existing state excise tax for gasoline and diesel fuel consumed for highway use is set at \$0.135 for all grades of gasoline and \$0.163 for diesel fuel intended for highway use. For purposes of calculating a new 8 percent variable tax component of the excise tax, a permanent minimum wholesale price of \$3.081 per gallon for diesel fuel and \$2.800 per gallon for all grades of gasoline would be established beginning September 1, 2015.

Table 1 demonstrates the proposed change in the motor vehicle fuel tax rates for gasoline and diesel fuel intended for highway use:

**Table 1  
Comparison of Current and Proposed Motor Vehicle Fuel Tax**

| <b>Fuel Type</b> | <b>Current Rate</b> | <b>Proposed Fixed Rate</b> | <b>Proposed Variable Rate @ 8% of Average Wholesale Price</b> | <b>Total Proposed Rate</b> | <b>% Change</b> |
|------------------|---------------------|----------------------------|---|----------------------------|-----------------|
| Gasoline         | \$0.309             | \$0.135                    | \$0.224   | \$0.359                    | 16.2%           |
| Diesel Fuel      | \$0.309             | \$0.163                    | \$0.246   | \$0.409                    | 32.4%           |

Rates will also be adjusted according to the formula currently described in s. 78.405 Wis. Stats. for each alternative fuel sold in the state. Currently this includes liquefied propane gas (LPG), compressed natural gas (CNG), and liquefied natural gas (LNG). The general aviation fuel tax rate will not be affected by the new revenue mechanisms applied to the sale of gasoline used to power motor vehicles and diesel fuel intended for highway use.

As outlined in current law, s. 78.22 Wis. Stats., a floor tax will be imposed on the date that the motor vehicle fuel tax rate change becomes effective on any motor vehicle fuel held for sale or resale and on which the motor vehicle fuel tax already has been imposed.

Under this proposal on April 1, 2016, and each April 1 thereafter, DOR is required to calculate the cents-per-gallon tax resulting from the 8 percent tax applied to the average annual wholesale price of gasoline and diesel fuel. The average annual wholesale price of gasoline and diesel fuel in Wisconsin will be determined by the Department of Revenue based on wholesale price information obtained from the federal Energy Information Administration. Increases to the total tax rate on motor vehicle fuel due to changes in the annual average wholesale prices of gasoline and diesel fuel may not exceed five percent on April 1, 2017 and each April 1 thereafter. DOT is required to publish and make notification of the new rate.

With a tax mechanism in place as outlined above the sum of the fixed rate tax and the 8 percent tax applied to a wholesale minimum price of motor vehicle fuel can never be lower than \$0.359 for gasoline and \$0.409 for diesel fuel.

Under this proposal all refunds of motor vehicle tax allowed under current law and all exemptions to motor vehicle fuel tax will remain in effect.

**JUSTIFICATION:**

Based on increases in consumption alone natural growth in state motor vehicle fuel tax revenues is expected to be less than 2 percent in the 2015-2017 biennium. This follows almost a decade of relatively flat or declining annual revenues from motor vehicle fuel:

**Table 2  
State Motor Vehicle Fuel Tax Revenue**

| <b>FY</b> | <b>\$ millions</b> | <b>%<br/>Change</b> |
|-----------|--------------------|---------------------|
| 2004      | 934.6              | 3.56%               |
| 2005      | 955.5              | 2.24%               |
| 2006      | 962.8              | 0.76%               |
| 2007      | 1006.0             | 4.49%               |
| 2008      | 999.9              | -0.60%              |
| 2009      | 968.8              | -3.11%              |
| 2010      | 971.8              | 0.31%               |
| 2011      | 988.3              | 1.70%               |
| 2012      | 983.9              | -0.45%              |
| 2013      | 967.0              | -1.71%              |
| 2014      | 999.4              | 3.35%               |

- The new fuel tax mechanisms will provide significant additional revenue for the Transportation Fund.
- The variable fuel tax component provides an opportunity for fuel tax revenue growth, assuming that fuel costs increase over time.
- The fixed rate per gallon component reduces the potential volatility of a tax based entirely on wholesale price.
- The higher fixed rate for diesel fuel consumed for highway use imposes additional costs on commercial vehicles that inflict the greatest amount of highway damage.
- A vehicle registration tax credit can be created for diesel passenger vehicles that inflict no greater highway damage than gasoline-powered passenger vehicles.
- Interstate trucking firms responsible for inflicting damage to Wisconsin highways will pay their fair share of additional revenue through increased diesel fuel taxes.
- Higher diesel fuel rates reduce the need for raising annual truck registration fees in the immediate future.

Compared to some other states the proposed changes to Wisconsin’s excise tax rate are modest and the mechanism is relatively transparent and simple for consumers to understand. Table 3 summarizes several current examples of states that have successfully blended fixed rate excise taxes with taxes based on a percent of fuel price:

**Table 3  
Blended Motor Vehicle Tax Rates In Selected States**

| <b>State</b>   | <b>Fixed Rate Taxes</b>                            | <b>Variable Rate Taxes</b>   |
|----------------|--|--|
| Nebraska       | Two separate flat rate taxes (2.8-cpg and 7.5-cpg) | Three separate variable taxes: (1) based on debt service requirements; (2) based on an amount sufficient to meet the appropriations made by the Legislature; and (3) a tax rate of 5% applied to wholesale price.  |
| New York       | 8-cpg  | Two separate variable taxes: (1) a cpg-tax adjusted annually to changes in a petroleum price index, and (2) a supplementary cpg-tax also adjusted annually to changes in a petroleum price index.  |
| North Carolina | 17.5-cpg   | The greater of 3.5-cpg or 7% of the wholesale price  |
| Vermont        | 18.2-cpg   | Two separate variable assessments: (1) an assessment adjusted quarterly based on 2% of retail price exclusive of all federal and state taxes; and (2) an assessment adjusted quarterly in the amount of 6.7-cpg or 2% of the tax adjusted retail price, not to exceed 9.0 cpg, whichever is greater. |
| West Virginia  | 20.5-cpg   | Tax rate of 5% applied to wholesale price  |

Differential excise tax rates are not uncommon in other states, including upper Midwestern states. Table 4 shows the state excise rates for gasoline and diesel fuel intended for highway use in Wisconsin's neighboring states and Indiana. Rates are shown in cents-per-gallon:

**Table 4  
State Excise Tax Rates for Gasoline and Diesel Fuel  
Upper Midwestern States**

| <b>State</b> | <b>Gasoline</b> | <b>Diesel Fuel</b> |
|--------------|-----------------|--------------------|
| Illinois     | \$0.190         | \$0.215            |
| Indiana      | \$0.180         | \$0.160            |
| Iowa         | \$0.210         | \$0.225            |
| Michigan     | \$0.190         | \$0.150            |
| Minnesota    | \$0.285         | \$0.285            |

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Department-wide

**ISSUE TITLE:** Annual registration credit for diesel-powered passenger vehicles

**REQUEST:**

Provide a \$25 vehicle registration credit annually to owners of passenger vehicles, including light trucks not over 8,000 lbs on the gross weight schedule, powered by diesel fuel intended for highway use. The revenue loss to the Transportation Fund is estimated at \$1,099,000 in FY 16 and \$2,262,600 in FY 17.

**SUMMARY:**

The Department's Division of Motor Vehicles (DMV) collects an annual fee to register vehicles in Wisconsin. The Department is requesting authority to reduce the current fee for passenger vehicles powered with diesel fuel intended for highway use. The credit is expected apply to vehicle registrations beginning January 1, 2016.

Implementation costs associated with the Diesel Fuel Registration Credit will be \$200,050 over the 2015-17 biennium. This includes the following costs (see DIN 5505):

- \$103,600 for programming development tasks performed by the department's Bureau of Information Technology. If done in conjunction with the department's request for a Hybrid/Electric Vehicle Fee the estimate to complete both projects can be reduced to the cost of a single project.
- \$69,000 for LTE staffing incurred by DMV and \$27,450 for costs associated with postage, handling and materials. Staffing costs are for a combined effort with the Hybrid/Electric Vehicle Fee.

**JUSTIFICATION:**

Commercial vehicles with gross weights over 10,000 lbs typically consume diesel fuel and passenger vehicles weighing less than 8,000 lbs typically consume gasoline. As a vehicle class, vehicles with gross weights over 10,000 lbs cause greater damage to highway pavement than vehicles weighing less than 8,000 lbs because pavement damage increases as vehicle weight increases. As such, the Department's request to authorize higher motor fuel taxes on diesel fuel than gasoline is largely based on the premise that heavy vehicles consuming diesel fuel inflict greater stress and damage to highway pavements than passenger vehicles.

Consumer demand for diesel fuel powered passenger vehicles has historically been very low in the United States; however, manufacturers are bringing more models to the marketplace and passenger vehicle registrations of diesel fueled vehicles appear to be slowly increasing in Wisconsin:

**Table 1  
Diesel Fueled Passenger Vehicles in Wisconsin**

| <b>FY</b> | <b>Diesel Fueled Passenger Vehicles</b> | <b>Change</b> |
|-----------|---|---------------|
| 2005      | 63,042                                  |               |
| 2006      | 63,322                                  | 0.4%          |
| 2007      | 69,929                                  | 10.4%         |
| 2008      | 71,920                                  | 2.8%          |
| 2009      | 72,705                                  | 1.1%          |
| 2010      | 73,790                                  | 1.5%          |
| 2011      | 76,069                                  | 3.1%          |
| 2012      | 77,655                                  | 2.1%          |
| 2013      | 79,963                                  | 3.0%          |
| 2014      | 82,973                                  | 3.8%          |

Since a passenger vehicle powered with diesel fuel inflicts no greater stress to highway pavement than a gasoline powered vehicle with the same gross vehicle weight, owners of diesel burning vehicles should not pay a disproportionate amount of motor vehicle fuel tax for use of Wisconsin's transportation system.

A \$25 vehicle registration credit to owners of diesel burning passenger vehicles will restore financial equity between most passenger vehicle owners for equivalent use of the system.

Other States

In Arizona, diesel fuel intended for highway use is taxed at one rate for heavy trucks and a lower rate for pick-up trucks. The pick-up truck rate is the same rate as the state excise tax on gasoline. Retailers either have two separate diesel pumps for the two tax rates or they can have one pump at the higher rate and provide refunds to those who qualify for the lower rate. Retailers are responsible for refunding the difference in rates and then must apply to the state to be reimbursed for the refund. In Virginia, diesel fuel intended for highway use is taxed at 6 percent of wholesale price, compared to a tax of 3.5 percent of the wholesale price of gasoline. Owners of vehicles having a gross weight of 10,000 lbs or less are eligible for a refund equal to 2.5 percent of tax paid on diesel fuel.

Vermont also taxes diesel fuel at a higher rate than gasoline and is the only example nationally of a passenger registration fee based on motor vehicle fuel type: registration for a gasoline-powered passenger vehicle up to 6,099 lbs costs \$70 for a one-year registration; a passenger vehicle powered by diesel fuel in the same weight class costs \$27 for a one-year registration.

Wisconsin is faced with significant transportation challenges during the coming biennium and the years ahead. Restructuring the state's motor fuel tax to help mitigate the growing costs of Wisconsin's transportation system and distributing those costs among users of the system could disproportionately impact owners of light passenger vehicles powered with diesel fuel intended for highway use. Creating a Diesel Fuel Registration Credit will help assure fairness within the system by restoring financial equity between users of the state's roads and bridges regardless of a vehicle's power train.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**TOPIC:** Diesel Fuel Passenger Vehicle Credit

**DESCRIPTION OF CHANGE:** Amend s. 341.25, Wis. Stats. to authorize a \$25 vehicle registration credit annually to owners of passenger vehicles, including light trucks not over 8,000 lbs on the gross weight schedule, powered by diesel fuel intended for highway use.

**JUSTIFICATION:**

Commercial vehicles with gross weights over 10,000 lbs. typically consume diesel fuel. Passenger vehicles weighing less than 8,000 lbs. typically consume gasoline. As a vehicle class, vehicles with gross weights over 10,000 lbs. cause significantly greater damage to highway pavement than vehicles weighing less than 8,000 lbs. As such, the Department’s request to authorize higher taxes on diesel fuel than gasoline is largely based on the premise that heavy vehicles consuming diesel fuel inflict greater stress and damage to highway pavements than passenger vehicles.

Consumer demand for diesel fuel powered passenger vehicles has historically been very low in the United States; however, manufacturers are bringing more models to the marketplace and passenger vehicle registrations of diesel fuel vehicles appear to be slowly increasing in Wisconsin:

| <b>FY</b> | <b>Passenger Diesel Vehicles</b> | <b>% Change</b> |
|-----------|----------------------------------|-----------------|
| 2005      | 63,042                           |                 |
| 2006      | 63,322                           | 0.4%            |
| 2007      | 69,929                           | 10.4%           |
| 2008      | 71,920                           | 2.8%            |
| 2009      | 72,705                           | 1.1%            |
| 2010      | 73,790                           | 1.5%            |
| 2011      | 76,069                           | 3.1%            |
| 2012      | 77,655                           | 2.1%            |
| 2013      | 79,963                           | 3.0%            |
| 2014      | 82,973                           | 3.8%            |

Because a passenger vehicle powered with diesel fuel inflicts no greater stress to highway pavement than a gasoline powered vehicle with the same gross vehicle weight, owners of diesel burning vehicles should not pay a disproportionate amount of motor vehicle fuel tax for use of Wisconsin’s transportation system.

A \$25.00 vehicle registration credit to owners of diesel burning passenger vehicles will help restore financial equity between gasoline and diesel fuel consuming passenger vehicle owners for equivalent use of the system.

This credit will be applied to vehicle registrations beginning January 1, 2016.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Department-wide

**ISSUE TITLE:** Hybrid/Electric Vehicle Fee

**REQUEST:**

Provide \$1,675,800 SEG in FY 16 and \$3,982,000 SEG in FY 17 of additional revenue resulting from a \$50.00 assessment added to the annual state registration fee for all passenger vehicles powered by hybrid-electric engines and electric passenger vehicles designed for highway use.

**SUMMARY:**

The Department's Division of Motor Vehicles (DMV) collects an annual fee to register vehicles in Wisconsin. The Department is requesting authority to assess an additional \$50.00 fee collected at the time of annual vehicle registration of all passenger vehicles powered by hybrid-electric, hybrid-electric plug-in engines and all-electric plug-in passenger vehicles designed for highway use. Affected passenger vehicle types will include automobiles, vans, sport utility vehicles, light trucks with a gross vehicle weight of 8,000 lbs or less. Municipal-plated vehicles, farm use-plated vehicles, motorcycles, and commercial vehicles registered on the gross weight schedule in excess of 8,000 lbs will not be assessed the additional fee.

While these vehicles have a positive environmental impact, owners pay little if any motor vehicle fuel tax. This fee will help cover the costs of department functions, including Division of State Patrol enforcement and roadway maintenance, and operations that benefit all vehicle owners.

This assessment will apply to registrations beginning January 1, 2016.

Implementation costs associated with the Hybrid/Electric Fee will be \$196,750 over the 2015-17 biennium. This includes the following costs (see DIN 5505):

- \$103,600 for programming development tasks performed by the Department's Bureau of Information Technology (BITS). If done in conjunction with the Department's request for an annual registration credit for diesel-powered passenger vehicles the estimate to do both projects can be reduced to the cost of one project.
- \$69,000 for LTE staffing costs incurred by DMV and \$24,150 for costs associated with postage, handling and materials. Staffing will be shared with the credit for diesel-powered passenger vehicle initiative.

**JUSTIFICATION:**

Tax and fee revenues fund a variety of transportation needs including but not limited to development of state and local transportation facilities, debt service on transportation revenue bond (TRB) and general obligation (GO) bonds, highway operations and maintenance, aids to local units of government, and department operations.

The Transportation Fund has a structural deficit going into the 2015-17 biennium. Under current-law state revenues the Department anticipates a \$300 million shortfall at the end of FY 17. This deficit includes only the cost to continue existing operations, which includes FY 15 appropriation base amounts, standard budget adjustments, other agency transfers, and additional GO debt service requirements from recently issued bonds. This deficit does not include any new funding initiatives and does not provide sufficient funding for the Southeastern Wisconsin Megaprojects Program to keep current projects on schedule.

The potential for increased federal transportation funds to meet these needs over the short term are uncertain and prospects for maintaining current federal revenue levels over the next decade are unclear.

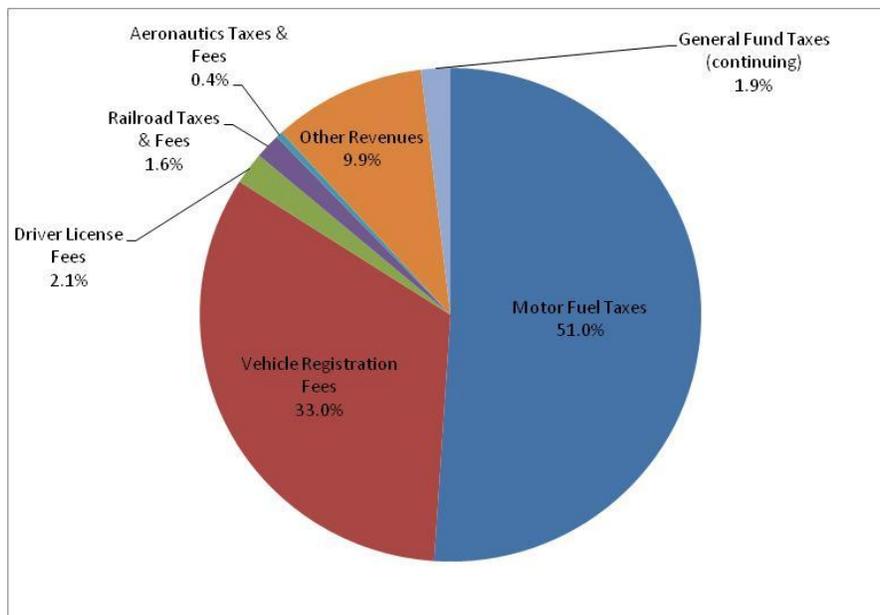
In fact, the Department faces significant new transportation costs in the coming biennium, including but not limited to:

- \$791 million over the biennium for the Southeastern Wisconsin Megaprojects Program, including funding to complete the Zoo Interchange and continue work on the I-94 North-South Corridor reconstruction;
- \$40 million to fund an increase to the Local Transportation Assistance program;
- \$57.7 million for additional Highway Maintenance Program funding;
- \$57.2 million for additional Traffic Operations Program funding.

The Wisconsin Transportation Finance and Policy Commission found that the Department requires additional revenue even to meet modest additional needs. In the longer term, the Commission found that without additional funding over the next decade, state highway network conditions and safety will deteriorate, and department services to individuals and businesses that rely on those services will be negatively impacted.

The current revenue base for the Transportation Fund relies largely on motor fuel taxes and registration related vehicle fees:

**Table 1  
Transportation State Tax and Fee Revenue  
(FY 15, 2013 Wisconsin Act 20)**



Other revenue includes motor carrier fees, miscellaneous department and motor vehicle fees, investment earnings, and one-time transfers from the General Fund and the Petroleum Inspection Fund.

The motor vehicle fuel tax rate has not been raised since 2006. Based only on increases in motor fuel consumption motor vehicle fuel tax revenue is expected to grow less than two percent in the 2015-17 biennium. This follows almost a decade of relatively flat or declining annual tax revenue from motor vehicle fuel.

Registration fees for automobiles, vans, SUV's, light and heavy trucks have not been raised since 2008. Titling fees were last increased in 2012. Based on estimated changes in the number of motor vehicle registrations, growth of vehicle registration related fees is expected to be less than three percent in the 2015-17 biennium. This follows five years of declining or low growth of revenue related to motor vehicle registration.

Passenger vehicles powered by hybrid-electric (HEV) engines, plug-in hybrid-electric (PHEV) engines, and all-electric plug-in powered vehicles intended for highway use inflict an equivalent amount of damage to Wisconsin roads as their conventionally powered counterparts. In addition, these vehicles contribute to traffic congestion while benefiting from various travel-related services, including routine highway maintenance; snow removal; Division of State Patrol traffic control and enforcement.

The Department must provide these services regardless of how a vehicle is powered. However, due to the greater fuel efficiency of hybrid/electric vehicles, their owners are not incurring an equivalent financial burden through their payment of the state's motor vehicle fuel tax.

According to the 2013 Vehicle Technologies Market Report published by Oak Ridge National Laboratory almost 500,000 highly fuel efficient hybrid and 100,000 plug-in vehicles were sold nationally in 2013. The report also disclosed that at least 24 different models of plug-in vehicles are available or coming soon to market. In Wisconsin, hybrid-electric, hybrid-electric plug-in and all-electric plug-in vehicles are a rapidly growing segment of the fleet of registered vehicles. Table 2 shows the growth of these vehicles registered annually in Wisconsin since FY 2005:

**Table 2  
Growth of Registered Passenger Electric/Hybrid Vehicles In Wisconsin**

| <b>FY</b> | <b>Passenger Electric</b> | <b>Passenger Hybrid</b> | <b>Total Passenger Electric/Hybrid</b> | <b>Change</b> |
|-----------|---------------------------|-------------------------|--|---------------|
| 2005      | 7                         | 4,254                   | 4,261                                  |               |
| 2006      | 6                         | 7,645                   | 7,651                                  | 79.6%         |
| 2007      | 9                         | 12,887                  | 12,896                                 | 68.6%         |
| 2008      | 22                        | 17,150                  | 17,172                                 | 33.2%         |
| 2009      | 29                        | 19,713                  | 19,742                                 | 15.0%         |
| 2010      | 33                        | 23,766                  | 23,799                                 | 20.6%         |
| 2011      | 37                        | 28,282                  | 28,319                                 | 19.0%         |
| 2012      | 73                        | 33,261                  | 33,334                                 | 17.7%         |
| 2013      | 239                       | 40,499                  | 40,738                                 | 22.2%         |
| 2014      | 379                       | 47,591                  | 47,970                                 | 16.6%         |

The Wisconsin Transportation Finance and Policy Commission studied the financial impact of fuel efficiency based on the current tax and fee structure and found that high miles-per-gallon (MPG) users of the system could be paying \$38 to \$233 per year less than low MPG users of the system, depending on the number of miles driven each year. Table 3 from the Commission's report outlines these impacts based on Wisconsin's current \$75 annual vehicle registration fee and \$0.329 state motor vehicle fuel excise tax (including \$0.02 per gallon for the Petroleum Inspection Fund):

**Table 3  
Impact on Various Types of Drivers Current Tax and Fee Structure**

| <b>Fuel Efficiency (MPG)</b> | <b>Miles Driven Annually</b> |               |               |
|------------------------------|------------------------------|---------------|---------------|
|                              | <b>4,000</b>                 | <b>12,000</b> | <b>24,000</b> |
| Low (16 mpg)                 | \$157                        | \$322         | \$569         |
| Average (22 mpg)             | \$135                        | \$254         | \$434         |
| High (30 mpg)                | \$119                        | \$207         | \$336         |

These examples underline disparities among many users of the system. The gap becomes substantially wider in comparisons involving extremely efficient HEV's, PHEV's, and all-electric plug-in vehicles with MPG performance substantially above 30 MPG and conventionally powered vehicles. This disparity will have an increasingly negative effect on revenue collections for the Transportation Fund as these highly efficient vehicles replace less efficient vehicles. As such, to help maintain the state's current transportation system, contribute to future needs, and help preserve financial equity among highway users of the system, owners of hybrid/electric vehicles should pay an additional annual fee for their use of Wisconsin roadways at the time of vehicle registration.

Nationally, states are beginning to recognize and respond to the financial disparities among users created by the growing acceptance and popularity of hybrid/electric vehicles. For example, North Carolina and Washington each collect an additional \$100 annual fee in conjunction with the registration fee for all-electric vehicles designed for highway use. A number of other states are either considering or have recently considered similar fees, including the states of Arizona, Idaho, Indiana, Massachusetts, New Jersey, Virginia and Texas.

Wisconsin is faced with significant transportation challenges during the coming biennium and the years ahead. The creation of a Hybrid/Electric Fee will help mitigate the growing costs of Wisconsin's transportation system and help maintain fairness within the system by restoring financial equity among all of the users of the state's roads and bridges.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**TOPIC:** Hybrid/Electric Vehicle Fee

**DESCRIPTION OF CHANGE:**

Amend s. 341.25, Wis. Stats. to provide the Department with the authority to collect a \$50 assessment added to the annual state registration fee for all passenger vehicles powered by hybrid and hybrid-electric engines, and electric passenger vehicles designed for highway use. Affected passenger vehicle types will include automobiles, vans, sport utility vehicles, and light trucks with a gross vehicle weight of 8,000 lbs or less. Municipal-plated vehicles, farm use-plated vehicles, motorcycles and commercial vehicles registered on the gross weight schedule in excess of 8,000 lbs will not be assessed the additional fee.

This assessment will apply to registrations beginning January 1, 2016.

This fee will be a pledged revenue under s.84.59(2), Wis.Stats.

**JUSTIFICATION:**

Revenues from registration of motor vehicles fund a variety of transportation needs including but not limited to debt service on transportation revenue (TRB) and general obligation (GO) bonds, development of state and local transportation facilities, highway operations and maintenance, aids to local units of government, and Department operations. Wisconsin faces significant new transportation costs in the coming biennium, including but not limited to:

- \$791 million over the biennium for the Southeastern Wisconsin Megaprojects Program, including funding to complete the Zoo Interchange and continue work on the I-94 North-South Corridor reconstruction;
- \$40 million to fund an increase to the Local Transportation Assistance program;
- \$57.7 million for additional Highway Maintenance Program funding;
- \$57.2 million for additional Traffic Operations Program funding.

Based only on changes in the number of motor vehicle registrations, natural growth of revenue from all vehicle registration fees is expected to be less than 3 percent in the 2015-2017 biennium. This rate of revenue increase does not keep pace with the rising demand for transportation funding over the next two years and beyond.

Passenger vehicles powered by hybrid-electric (HEV) engines, plug-in hybrid-electric (PHEV) engines, and all-electric plug-in powered vehicles intended for highway use inflict an equivalent amount of damage to Wisconsin highways as their conventionally powered counterparts. However, due to the greater fuel efficiency of hybrid/electric vehicles, their owners are not incurring an equivalent financial responsibility through their payment of the state's motor vehicle fuel tax.

According to the 2013 Vehicle Technologies Market Report published by Oak Ridge National Laboratory almost 500,000 highly fuel efficient hybrid and 100,000 plug-in vehicles were sold nationally in 2013. The Oak Ridge report also disclosed that at least 24 different models of plug-in vehicles are available or coming soon to market. In Wisconsin, hybrid-electric, hybrid-electric plug-in and all-electric plug-in vehicles are a rapidly growing segment of the fleet of registered vehicles. Table 1 shows the growth of these vehicles registered annually in Wisconsin since FY 2005:

**Table 1**  
**Growth of Registered Passenger Electric/Hybrid Vehicles In Wisconsin**

| FY   | Passenger Electric | Passenger Hybrid | Total Passenger Electric/Hybrid | % Passenger Vehicle Change |
|------|--------------------|------------------|---------------------------------|----------------------------|
| 2005 | 7                  | 4,254            | 4,261                           |                            |
| 2006 | 6                  | 7,645            | 7,651                           | 79.6%                      |
| 2007 | 9                  | 12,887           | 12,896                          | 68.6%                      |
| 2008 | 22                 | 17,150           | 17,172                          | 33.2%                      |
| 2009 | 29                 | 19,713           | 19,742                          | 15.0%                      |
| 2010 | 33                 | 23,766           | 23,799                          | 20.6%                      |
| 2011 | 37                 | 28,282           | 28,319                          | 19.0%                      |
| 2012 | 73                 | 33,261           | 33,334                          | 17.7%                      |
| 2013 | 239                | 40,499           | 40,738                          | 22.2%                      |
| 2014 | 379                | 47,591           | 47,970                          | 16.6%                      |

The Wisconsin Transportation Finance and Policy Commission studied the financial impact of fuel efficiency based on the current tax and fee structure and found that highly fuel efficient users of the system could be paying \$38 to \$233 per year less than less fuel efficient users of the system, depending on the number of miles driven each year. Table 2 from the Commission's report outlines these impacts based on Wisconsin's current \$75 annual vehicle registration fee and \$0.329 state motor vehicle fuel excise tax (including \$0.02 per gallon for the Petroleum Inspection Fund):

**Table 2**  
**Impact on Various Types of Drivers Current Tax and Fee Structure**

| Fuel Efficiency (MPG) | Miles Driven Annually |        |        |
|-----------------------|-----------------------|--------|--------|
|                       | 4,000                 | 12,000 | 24,000 |
| Low (16 mpg)          | \$157                 | \$322  | \$569  |
| Average (22 mpg)      | \$135                 | \$254  | \$434  |
| High (30 mpg)         | \$119                 | \$207  | \$336  |

These examples underline disparities among many users of the system. The gap becomes substantially wider in comparisons involving extremely efficient HEV's, PHEV's, and all-electric plug-in vehicles with MPG performance substantially above 30 MPG and conventionally powered vehicles.

This disparity will have an increasingly negative effect on revenue collections for the Transportation Fund as these highly efficient vehicles replace less efficient vehicles.

As such, to help maintain the state's current transportation system, contribute to future needs, and help preserve financial equity among highway users of the system, owners of hybrid/electric vehicles should pay an additional annual fee for their use of Wisconsin roadways at the time of vehicle registration.

Other States

Nationally, states are beginning to recognize and respond to the financial disparities among users created by the growing acceptance and popularity of hybrid/electric vehicles. For example, North Carolina and Washington each collect an additional \$100 annual fee in conjunction with the registration fee for all-electric vehicles designed for highway use. A number of other states are either considering or have recently considered similar fees, including the states of Arizona, Idaho, Indiana, Massachusetts, New Jersey, Virginia and Texas.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Department-wide

**ISSUE TITLE:** Highway Use Fee

**REQUEST:**

Provide \$157,985,000 SEG in FY 16 and \$220,941,000 SEG in FY 17 resulting from a Highway Use Fee. The fee will be assessed on all new light passenger vehicles and motorcycles, exclusive of all municipal-plated vehicles, farm use-plated vehicles and commercial vehicles in excess of 8,000 lbs gross vehicle weight.

**SUMMARY:**

The Department is requesting the creation of a fee for new passenger vehicles (automobiles, vans, sport utility vehicles, light trucks, motorcycles) to address critical transportation priorities. This fee would be collected at the time of initial vehicle registration. The fee would be calculated at 2.5 percent of the manufacturer's suggested base retail price (MSRP), exclusive of destination charges.

Collection of the Highway Use Fee is expected to begin October 1, 2015.

Implementation costs associated with the Highway Use Fee will be \$626,100 over the 2015-17 biennium. This includes the following costs (see DIN 5505):

- \$144,900 for programming development tasks performed by the department's Bureau of Information Technology (BITS);
- \$481,200 for tasks performed by the department's Division of Motor Vehicles (DMV), including dealer and 3<sup>rd</sup> party processor outreach and education, increased dealer and 3<sup>rd</sup> party processor contact, increased public contact, system testing and implementation, additional expert DMV staffing.

**JUSTIFICATION:**

Transportation-related tax and fee revenues fund a variety of transportation needs including but not limited to development of state and local transportation facilities, debt service on transportation revenue (TRB) and general obligation (GO) bonds, highway operations and maintenance, aids to local units of government, and Department operations.

The Transportation Fund has a structural deficit going into the 2015-17 biennium; under current-law state revenue sources the Department anticipates a \$300 million shortfall at the end of FY 17. This deficit includes only the cost to continue existing operations, which includes FY 15 appropriation base amounts, standard budget adjustments, other agency transfers, and additional GO debt service requirements from recently issued bonds. This deficit does not include any new funding initiatives and does not provide sufficient funding for the Southeastern Wisconsin Megaprojects Program to keep current projects on schedule.

The potential for increased federal transportation funds to meet these needs over the short term are uncertain and prospects for maintaining current federal revenue levels over the next decade are unclear.

In fact, the Department faces significant new transportation costs in the coming biennium, including:

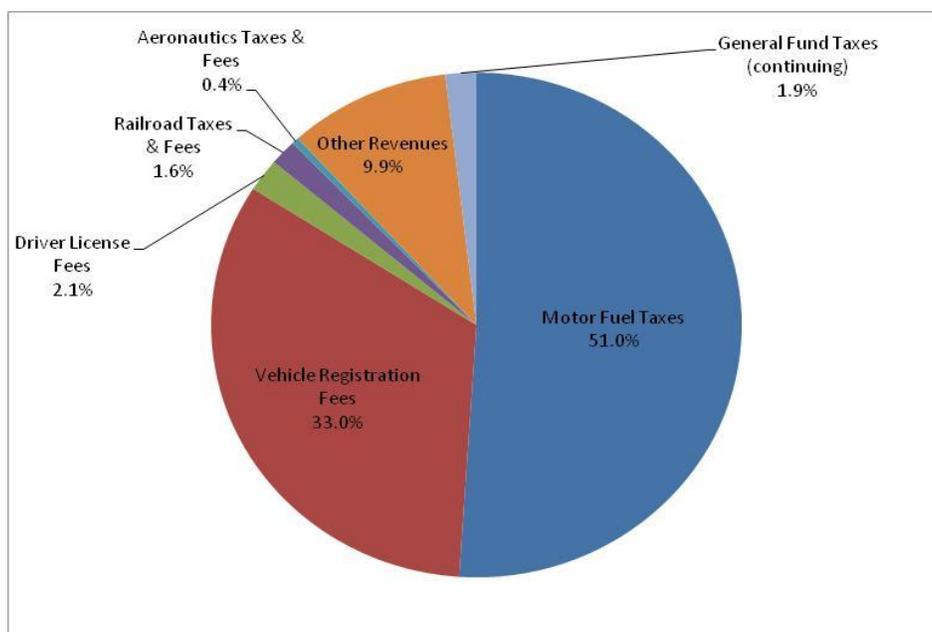
- \$791 million over the biennium for the Southeastern Wisconsin Megaprojects Program, including funding to complete the Zoo Interchange and continue work on the North-South Corridor reconstruction;
- \$40 million to fund an increase to the Local Transportation Assistance program;

- \$57.7 million for additional Highway Maintenance Program funding;
- \$57.2 million for additional Traffic Operations Program funding.

The Wisconsin Transportation Finance and Policy Commission found that the Department required additional revenue even to meet modest future needs. In the longer term, the Commission found that without additional funding over the next decade state highway network conditions and safety will deteriorate, and department services to individuals and businesses that rely on those services will be negatively impacted.

The current revenue base for the Transportation Fund relies largely on motor fuel taxes and registration related vehicle fees:

**Table 1**  
**Transportation State Tax and Fee Revenue**  
**(FY 15, 2013 Wisconsin Act 20)**



Other revenue includes motor carrier fees, miscellaneous department and motor vehicle fees, investment earnings, and one-time transfers from the General Fund and the Petroleum Inspection Fund.

There have been no increases to the motor vehicle fuel tax rate since 2006. Based only on increases in motor fuel consumption, motor vehicle fuel tax revenue is expected to grow less than two percent in the 2015-17 biennium. This follows almost a decade of relatively flat or declining annual tax revenue from motor vehicle fuel.

Annual vehicle registration rates for automobiles, vans, SUV's, light and heavy trucks have not been raised since 2008. Titling fees were last increased in 2012. Based on estimated changes in the number of motor vehicle registrations, growth of vehicle registration related fees is expected to be less than three percent in the 2015-17 biennium. This follows five years of declining or low growth of revenue related to motor vehicle registration:

**Table 2  
State Vehicle Registration Fee Revenue**

| <b>FY</b> | <b>Revenue<br/>(millions)</b> | <b>Change</b> |
|-----------|-------------------------------|---------------|
| 2004      | 414.2                         | 12.11%        |
| 2005      | 421.6                         | 1.78%         |
| 2006      | 449.3                         | 6.57%         |
| 2007      | 487.8                         | 8.56%         |
| 2008      | 538.9                         | 10.49%        |
| 2009      | 600.3                         | 11.40%        |
| 2010      | 610.3                         | 1.65%         |
| 2011      | 602.9                         | -1.20%        |
| 2012      | 634.1                         | 5.17%         |
| 2013      | 629.5                         | -0.72%        |
| 2014      | 657.7                         | 4.47%         |

Recently, at least six states have addressed their growing transportation needs with tax and fee increases based on ownership or purchase of a motor vehicle, including:

- Massachusetts – Increased the cost of registration \$10 for owners of noncommercial vehicles.
- North Carolina – Imposed an annual \$100 fee for owners of electric vehicles.
- Pennsylvania – Indexed the annual \$36 vehicle registration fee to any rise in the consumer price index over a two year period. The fee is adjusted for inflation every two years.
- Rhode Island – Imposed an annual surcharge of \$15 on owners of vehicles subject to annual registration, phased in over five years.
- Virginia -- Increased the tax on the sale of motor vehicles from 3 percent to 4.3 percent, phased in over four years.
- Washington State – Imposed an annual \$100 fee for owners of electric vehicles.

The current and estimated rate of vehicle registration revenue increase in Wisconsin will not keep pace with the rising demand for transportation funding, even with moderate increases to existing fees. Instead, the Department is proposing an entirely new assessment based on the value of new model vehicles registered for the first time in Wisconsin.

The Highway Use Fee is linked to first-time use of the state’s transportation infrastructure. As such, the Department is not proposing the Highway Use Fee as an annual fee or surcharge, or as a reoccurring charge like a sales tax or a titling fee whenever ownership of a vehicle is transferred between two parties. The Highway Use Fee is intended to make a significant contribution to the financing of emerging transportation needs in the coming biennium and beyond. In addition, several benefits of a Highway Use Fee include:

- Annual revenues from the new highway use fee will potentially grow with increases in new vehicle values over time.
- With the passage of the Wisconsin Transportation Fund Amendment, Question 1 on the November 4<sup>th</sup> 2014 election ballot, the Highway Use Fee will likely qualify as a constitutionally protected source of revenue for the Transportation Fund.

- An assessment based on vehicle value will help diversify Wisconsin's resource base for transportation.

As proposed, vehicle charges in Wisconsin for annual registration, titling, sales tax and the proposed Highway Use Fee will be higher but similar to costs in neighboring states. For example, assuming a new registration in Wisconsin rather than transferring the plate a new passenger vehicle (auto, van, SUV) with a base MSRP of \$32,000 would incur the following costs in Wisconsin and neighboring states:

**Table 3  
Comparison of New Vehicle First Year Costs**

| State     | First Time Annual Registration Fee | Standard Title Fee | State Sales Tax | Highway Use Fee | Total New Vehicle Taxes and Fees |
|-----------|------------------------------------|--------------------|-----------------|-----------------|----------------------------------|
| Iowa      | \$336.40                           | \$25.00            | \$1,600 @ 5%    | \$0             | \$1,961.40                       |
| Illinois  | \$101.00                           | \$95.00            | \$2,000 @ 6.25% | \$0             | \$2,196.00                       |
| Michigan  | \$171.00                           | \$15.00            | \$1,920 @ 6%    | \$0             | \$2,106.00                       |
| Minnesota | \$411.00                           | \$7.25             | \$2,080 @ 6.5%  | \$0             | \$2,498.25                       |
| Wisconsin | \$75.00                            | \$69.50            | \$1,600 @ 5%    | \$800 @ 2.5%    | \$2,544.50                       |

Since the Highway Use Fee will only be applied to the value of new vehicles registered for the first time in Wisconsin, most owners of used vehicles registered in Wisconsin will continue to pay among the lowest annual vehicle registration fees.

The Department routinely analyzes the annual cost of state and local fees for a 2-year old sedan. Under current law fees and taxes, Wisconsin drivers pay the least amount at \$274 per year with Illinois being the highest at \$511. The Department is also recommending increasing and restructuring the state's motor vehicle fuel tax (see Issue Paper Increase Motor Vehicle Fuel Tax Revenues). The motor fuel tax changes increase the annual cost of operation for a mid size sedan by about \$28 annually in Wisconsin. For illustration, if the Highway Use Fee were considered over a typical 64 month auto loan the total annualized operating cost in Wisconsin would be about \$437, still below Illinois and Minnesota.

Wisconsin is faced with significant transportation challenges during the coming biennium and the years ahead. The creation of a Highway Use Fee based on new vehicle value will mitigate the growing costs of Wisconsin's state highway infrastructure without imposing an annual increase in vehicle registration fees, or a transaction tax whenever a used vehicle is sold by a dealership or private party. It is a revenue solution that can grow as the price of new vehicles increases and helps maintain a user-based system of transportation finance in Wisconsin without recourse to unsustainable levels of debt in the decades to come.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**TOPIC:** Highway Use Fee

**DESCRIPTION OF CHANGE:**

Amend s. 341.25 Wis. Stats. to provide the Department with the authority to collect a one-time highway use fee. The fee would apply to all new passenger vehicles (automobiles, vans, sport utility vehicles, light duty trucks, motorcycles) registered for the first time in Wisconsin, not including municipal-plated vehicles, farm use-plated vehicles and commercial vehicles in excess of 8,000 lbs gross vehicle weight. The fee would be calculated at 2.5 percent of the base manufacturer's suggested retail price (MSRP), exclusive of destination charges and collected in conjunction with the initial annual vehicle registration fee. Include an enforcement provision penalizing motor vehicle dealers who misrepresent base MSRP and gross vehicle weight for purposes of calculating and collecting the one-time highway use fee.

Collection of the Highway Use Fee is expected to begin October 1, 2015.

This fee will be a pledged revenue under s.84.59(2), Wis.Stats.

**JUSTIFICATION:**

Wisconsin faces significant new transportation costs in the coming biennium, including but not limited to:

- \$791 million over the biennium for the Southeastern Wisconsin Megaprojects Program, including funding to complete the Zoo Interchange and continue work on the I-94 North-South Corridor reconstruction;
- \$40 million to fund an increase to the Local Transportation Assistance Program;
- \$57.7 million for additional Highway Maintenance Program funding;
- \$57.2 million for additional Traffic Operations Program funding.

Based on changes in the number of motor vehicle registration alone natural growth of vehicle registration fees is expected to be less than 3 percent in the 2015-2017 biennium. This rate of revenue increase will not keep pace with the rising demand for transportation funding. As a result, the Department is proposing an assessment on new vehicle value that makes a significant contribution to developing transportation needs in the coming biennium and beyond.

- Annual revenues from the new highway use fee will potentially grow with increases in vehicle value.
- Assuming passage of the Wisconsin Transportation Fund Amendment, Question 1 on the November 4<sup>th</sup> 2014 election ballot, the highway use fee will likely qualify as a constitutionally protected source of revenue for the Transportation Fund.
- An assessment based on vehicle value diversifies Wisconsin's resource base for transportation.

As proposed, new vehicle charges in Wisconsin for annual registration, titling, sales tax and the proposed highway use fee will be roughly equivalent with similar costs in Wisconsin's neighboring states. For example, a passenger vehicle with a base MSRP of \$32,000 (and no trade-in allowance) would incur the following costs:

**Table 1  
Comparison of New Vehicle  
First Year Costs**

| <b>State</b> | <b>First Time<br/>Registration<br/>Fee</b> | <b>Standard<br/>Title Fee</b> | <b>State Sales<br/>Tax</b> | <b>Highway Use<br/>Fee @ 2.5%<br/>of MSRP</b> | <b>Total New Vehicle<br/>Taxes and Fees</b> |
|--------------|--|-------------------------------|----------------------------|---|---|
| Iowa         | \$336.40                                   | \$25.00                       | \$1,600.00                 | \$0   | \$1,961.40                                  |
| Illinois     | \$101.00                                   | \$95.00                       | \$2,000.00                 | \$0   | \$2,196.00                                  |
| Michigan     | \$171.00                                   | \$15.00                       | \$1,920.00                 | \$0   | \$2,106.00                                  |
| Minnesota    | \$411.00                                   | \$7.25                        | \$2,080.00                 | \$0   | \$2,498.25                                  |
| Wisconsin    | \$75.00                                    | \$69.50                       | \$1,600.00                 | \$800.00                                      | \$2,544.50                                  |

Due to information technology system changes and notification processes necessary to implement the highway use fee, the Department expects the new fee will become effective on October 1, 2015.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**TOPIC:** Increase Motorcycle Registration Fee

**DESCRIPTION OF CHANGE:** Amend s. 341.25 (1) (b) to increase the biennial registration fee from \$23.00 to \$24.00 for each motorcycle or moped with a curb weight of 1,4999 pounds or less and for each low-speed vehicle.

**JUSTIFICATION:**

In FY 14 registrations for motorcycles, mopeds and low-speed vehicles totaled 305,230. These vehicles are registered biennially and expire in April of even numbered years. Fees are prorated over 24 months. Under current law prorated amounts are:

|            | May     | Jun     | Jul     | Aug     | Sep     | Oct     | Nov     | Dec     | Jan      | Feb      | Mar      | Apr      |
|------------|---------|---------|---------|---------|---------|---------|---------|---------|----------|----------|----------|----------|
| Even Years | \$23.00 | \$22.04 | \$21.08 | \$20.13 | \$19.17 | \$18.21 | \$17.25 | \$16.29 | \$3.83** | \$2.88** | \$1.92** | \$0.96** |
| Odd Years  | \$11.50 | \$10.54 | \$9.58  | \$8.63  | \$7.67  | \$6.71  | \$5.75  | \$4.79  | \$15.33  | \$14.38  | \$13.42  | \$12.46  |

\*\* When applying for new registration this amount is due PLUS the full biennial fee for the entire next two-year period.

Increasing the biennial fee by \$1 from \$23 to \$24 will simplify the original registration transaction for the customer and the Department of Motor Vehicles (DMV). Prorated costs will always be in increments of \$1 and no cents.

CY 2013 original transactions totaled 33,989.

This modification will create no additional costs for the Department and improve program efficiency:

- Prorating months can be performed without referring to a chart or a calculator.
- Bureau of Field Services (BFS) customer service center staff will not have to count change when customers pay in cash.
- Bureau of Vehicle Services (BVS) processors will not have to “pend” transactions and write for additional fees when customers underpay the fee.
- BVS processors will not have to issue refunds when customers overpay the fee.

DMV is authorized by statute to issue a valid renewal if payment received is less than \$2.00 of the established fee. As such, processing of registration renewal will not be delayed for customers who mistakenly mail in \$23.00 instead of \$24.00 after the effective date of the change.

The Department estimates an additional \$274,700 in SEG revenue in FY 16 and \$30,500 in FY 17. The Department will need three months to implement this fee change.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Department-wide

**ISSUE TITLE:** Increase General Fund Transfer

**REQUEST:**

Provide \$110,226,000 SEG in FY 16 and \$114,146,000 SEG in FY 17 by increasing the continuing transfer from the General Fund of moneys designated as "Taxes" to the Transportation Fund.

**SUMMARY:**

The Department is requesting an amendment to s.16.5185, Wis. Stats. for the purpose of increasing the transfer from the General Fund to the Transportation Fund, from an amount equal to 0.25 percent of the tax moneys projected to be deposited in the General Fund in s. 20.005 (1), Wis. Stats., to an amount equal to 1.00 percent.

The effective date of this change is June 30, 2016.

**JUSTIFICATION:**

Transportation-related tax and fee revenues fund a variety of transportation needs including but not limited to development of state and local transportation facilities, debt service on transportation revenue (TRB) and general obligation (GO) bonds, highway operations and maintenance, aids to local units of government, and department operations.

The Transportation Fund has a structural deficit going into the 2015-17 biennium. Under current-law state revenues the department anticipates a \$300 million shortfall at the end of FY 17. This deficit includes only the cost to continue existing operations, which includes FY 15 appropriation base amounts, standard budget adjustments, other agency transfers, and additional GO debt service requirements from recently issued bonds. This deficit does not include any new funding initiatives and does not provide sufficient funding for the Southeastern Wisconsin Megaprojects Program to keep current projects on schedule.

The potential for increased federal transportation funds to meet these needs over the short term are uncertain and prospects for maintaining current federal revenue levels over the next decade are unclear.

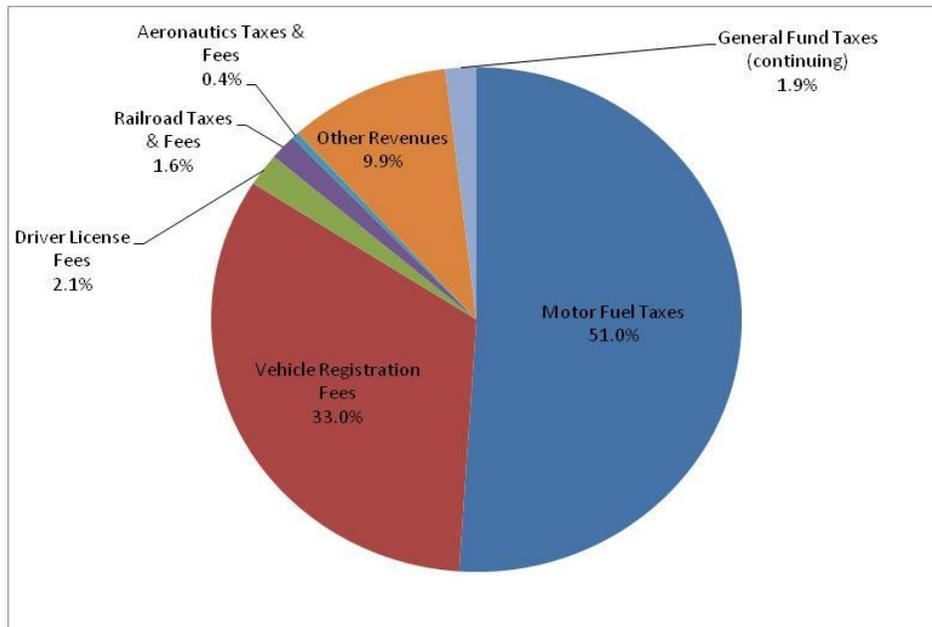
In fact, the Department faces significant new transportation costs in the coming biennium, including but not limited to:

- \$791 million over the biennium for the Southeastern Wisconsin Megaprojects Program, including funding to complete the Zoo Interchange and continue work on the I-94 North-South Corridor reconstruction;
- \$40 million to fund an increase to the Local Transportation Assistance program;
- \$57.7 million for additional Highway Maintenance Program funding;
- \$57.2 million for additional Traffic Operations Program funding.

The Wisconsin Transportation Finance and Policy Commission found that the Department needed additional revenue even to meet modest future needs. In the longer term, the Commission found that without additional funding over the next decade state highway network conditions and safety will deteriorate, and department services to individuals and businesses that rely on those services will be negatively impacted.

The current revenue base for the Transportation Fund relies largely on motor fuel taxes and registration related vehicle fees:

**Table 1  
Transportation State Tax and Fee Revenue  
(FY 15, 2013 Wisconsin Act 20)**



Other revenue includes motor carrier fees, miscellaneous department and motor vehicle fees, investment earnings, and one-time transfers from the General Fund and the Petroleum Inspection Fund.

There have been no increases to the motor vehicle fuel tax rate since 2006. Based only on increases in motor fuel consumption motor vehicle fuel tax revenue is expected to grow less than two percent in the 2015-17 biennium. This follows almost a decade of relatively flat or declining annual tax revenue from motor vehicle fuel.

Annual vehicle registration rates for automobiles, vans, SUV's, light and heavy trucks have not been raised since 2008. Titling fees were last increased in 2012. Based on estimated changes in the number of motor vehicle registrations, growth of vehicle registration related fees is expected to be less than three percent in the 2015-17 biennium. This follows five years of declining or low growth of revenue related to motor vehicle registration.

Under current law gross state revenue for the Transportation Fund from all sources, not including proceeds from the sale of GO and transportation revenue bonds is expected to fall 2.6 percent in the 2015-17 biennium compared to the 2013-15 biennium. As a result, the Department is proposing an increase to the existing continuing General Fund transfer first authorized in 2011 Wisconsin Act 32.

A recent study published by the National Conference of State Legislatures found that 35 states received some form of general fund support for transportation. In many cases the source of General Fund support is linked to motor vehicle or rental car sales taxes, but other general fund sources are also specifically identified in the report for a small number of states; for example, tax revenue from gaming, tobacco sales, and mineral extraction.

Wisconsin is faced with significant transportation challenges during the coming biennium and the years ahead. An increase in the amount of funds transferred from the General Fund to the Transportation Fund diversifies the revenue base of the Transportation Fund and helps mitigate the growing costs of Wisconsin's state highway infrastructure. At the same time, broader support from the General Fund for transportation expenditures recognizes the economic benefits resulting from meeting Wisconsin's transportation needs.

## **Department of Transportation 2015-17 Biennial Budget Request STATUTORY MODIFICATIONS**

**TOPIC:** Increase General Fund Tax Transfer

**DESCRIPTION OF CHANGE:** Amend s. 16.5185 Wis. Stats. to increase the transfer from the General Fund to the Transportation Fund from an amount equal to 0.25 percent of the moneys projected to be deposited in the general fund designated as “Taxes” in the summary in s. 20.005 (1), to an amount equal to 1.00 percent.

The effective date of this change is June 30, 2016.

**JUSTIFICATION:**

State revenues fund a variety of transportation needs including but not limited to debt service on transportation revenue bonds (TRB) and general obligation (GO) bonds, development of state and local transportation facilities, highway operations and maintenance, aids to local units of government, and Department operations.

Under current law gross state revenue for the Transportation Fund from all sources, not including proceeds from the sale of GO and TR bonds is expected to fall 2.6 percent in the 2015-2017 biennium compared to the 2013-2015 biennium. Available state revenue is expected to drop 4.3 percent compared to the 2013-15 biennium. As a result, the Department is proposing an increase to the existing continuing General Fund transfer first authorized in 2011 Wisconsin Act 32.

The increase is needed to help fund developing transportation needs in the coming biennium and beyond, including but not limited to:

- \$791 million over the biennium for the Southeastern Wisconsin Megaprojects Program, including funding to complete the Zoo Interchange and continue work on the I-94 North-South Corridor reconstruction;
- \$40 million to fund an increase to the Local Transportation Assistance program;
- \$57.7 million for additional Highway Maintenance Program funding;
- \$57.2 million for additional Traffic Operations Program funding.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Department-wide

**ISSUE TITLE:** Fiduciary Responsibility for the Petroleum Inspection Fund

**REQUEST:**

The Department requests authority to be the responsible financial agent for the Petroleum Inspection Fund (PIF). Any positive balance remaining at the end of each fiscal year in Fund 272 will be transferred to the Transportation Fund as miscellaneous revenue. In FY 14, the transfer would have been \$5 million. Management of the Petroleum Environmental Cleanup Fund Award program will remain with the Department of Natural Resources. The bonding indenture that has been established with the Trustee should not be affected by this transfer. The Department requests providing increased revenues of \$21,000,000 SEG in FY 16 and FY 17 as a result of the anticipated fund balance in Fund 272.

**SUMMARY:**

The Petroleum Environment Cleanup Fund Award (PECFA) program was created in 1988 in response to federal legislation requiring clean up of underground storage tanks. It is anticipated that the program will eventually fund 17,300 remediation sites. The program is funded by a \$0.02 per gallon Petroleum Inspection Fee (PIF) on motor fuel distribution. Site remediation and debt service payments may be completed by FY 21 based on current debt service schedules.

Needs for the transportation system are greater than current transportation revenues can support. For the past three biennia, the Transportation Fund has received both one-time and annual transfers from the Petroleum Inspection Fund to meet growing transportation needs. Redirecting end of year balances in the PIF to the Transportation Fund will formalize this funding mechanism.

The Department requests becoming the responsible financial agent of Fund 272 with the positive balance in the fund automatically transferred to the Transportation Fund at the end of each fiscal year. This request does not modify the current program management structure that DNR has created, including: administering site clean-up, establishing standards for clean-up, analyzing risk of contamination, bidding remedial action activities, and program administration.

**JUSTIFICATION:**

Transportation-related tax and fee revenues fund a variety of transportation needs including but not limited to development of state and local transportation facilities, highway operations and maintenance, aids to local units of government, department operations and debt service on transportation revenue bond (TRB) and general obligation (GO) bonds.

Under current-law state revenues, the Department anticipates a \$300 million shortfall at the end of FY 17. This deficit includes only the cost to continue existing operations, which includes FY 15 appropriation base amounts, standard budget adjustments, other agency transfers, and additional GO debt service requirements from recently issued bonds. This deficit does not include new funding initiatives and does not provide sufficient funding for the Southeastern Wisconsin Megaprojects Program to keep current projects on schedule.

The potential for increased federal transportation funds to meet these needs over the short term are uncertain and prospects for maintaining current federal revenue levels over the next decade are unclear.

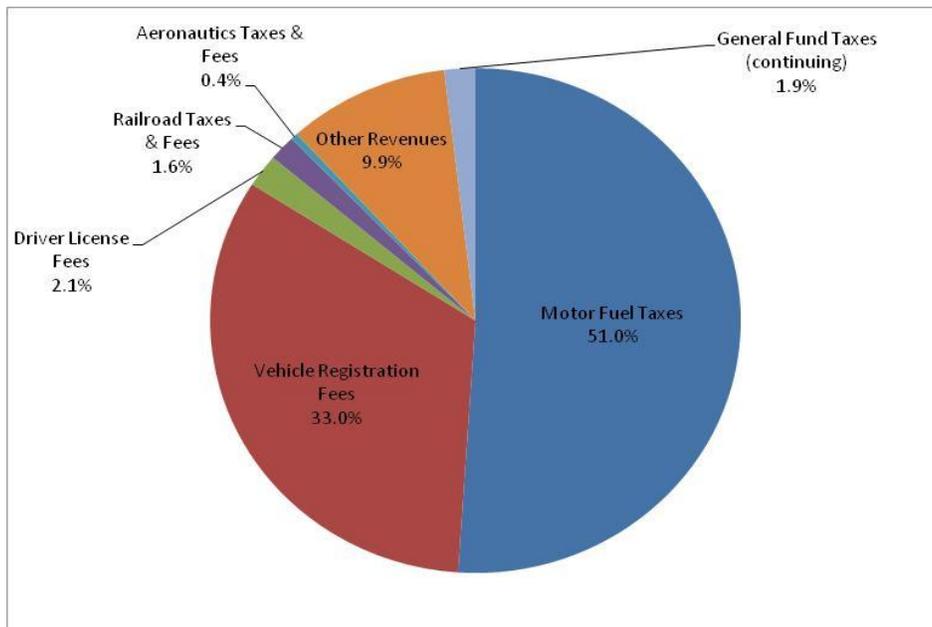
Despite these realities, the Department faces significant new transportation costs in the coming biennium, including but not limited to:

- \$791 million over the biennium for the Southeastern Wisconsin Megaprojects Program, including funding to complete the Zoo Interchange and continue work on the I-94 North-South Corridor reconstruction;
- \$40 million to fund the Local Transportation Assistance program proposal;
- \$57.7 million for additional Highway Maintenance Program funding;
- \$57.2 million for additional Traffic Operations Program funding.

The Wisconsin Transportation Finance and Policy Commission found that the Department requires additional revenue even to meet modest future needs. In the longer term, the Commission found that without additional funding over the next decade state highway network conditions and safety will deteriorate, and department services to individuals and businesses that rely on those services will be negatively impacted.

The current revenue base for the Transportation Fund relies largely on motor fuel taxes and registration related vehicle fees:

**Table 1  
Transportation State Tax and Fee Revenue  
(FY 15, 2013 Wisconsin Act 20)**



Other revenue includes motor carrier fees, miscellaneous department and motor vehicle fees, investment earnings, and one-time transfers from the General Fund and the Petroleum Inspection Fund.

The motor vehicle fuel tax rate has not be raised since 2006. Based only on increases in motor fuel consumption motor vehicle fuel tax revenue is expected to grow less than two percent in the 2015-17 biennium. This follows almost a decade of relatively flat or declining annual tax revenue from motor vehicle fuel.

Annual vehicle registration rates for automobiles, vans, SUV's, light and heavy trucks have not been raised since 2008. Titling fees were last increased in 2012. Based on estimated changes in the number of motor vehicle registrations, growth of vehicle registration related fees is expected to be less than three percent in the 2015-17 biennium. This follows five years of declining or low growth of revenue related to motor vehicle registration.

Under current law gross state transportation revenues from all sources, not including proceeds from the sale of GO and TRBs are expected to fall 2.6 percent in the 2015-17 biennium compared to the 2013-15 biennium.

Suppliers of petroleum products subject to the Petroleum Inspection Fee of \$0.02 per gallon make monthly payments to the Department of Revenue (DOR). When fees are remitted to DOR, there is no distinction between revenue received from motor fuel excise taxes and petroleum inspection fees. DOR calculates the distribution between motor fuel excise taxes and petroleum inspection fees and deposits all revenues in a Department of Transportation account. DOR transfers the receipts from the Petroleum Inspection Fee to the Trustee (Bank of New York Mellon) who removes preapproved debt service amounts and administrative fees. The petroleum inspection funds remaining after the fees are removed are transferred back to the Petroleum Inspection Fund (Fund 272) which is currently managed by the DNR. Funds returned from the Trustee are used for PECFA administrative expenses, program expenses, and could be used to make early debt service payments to the Trustee.

Table 1 presents total tax collections, required debt service payments to the Trustee and funds remaining in the program.

|                                      | FY 08        | FY 09        | FY 10        | FY 11        | FY 12        | FY 13        |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Remitted by the State to the Trustee | \$76,557,606 | \$73,358,641 | \$72,540,493 | \$73,808,676 | \$74,328,226 | \$71,899,817 |
| Retained by the Trustee              | \$29,561,333 | \$28,341,339 | \$11,196,056 | \$5,868,194  | \$7,833,531  | \$29,977,521 |
| Transfer from Trustee to DNR         | \$46,996,273 | \$45,017,302 | \$61,344,437 | \$67,940,482 | \$66,494,695 | \$41,922,296 |

Since FY 10, Transportation Fund revenues have been supplemented with a series of one-time transfers from the Petroleum Inspection Fund (see Table 2). Additionally, the Transportation Fund has received an on-going annual transfer from the Petroleum Inspection Fund of \$6.3 million since FY 05.

|                    | FY 10        | FY 11        | FY 12        | FY 13        | FY 14        | FY 15        |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Annual Transfers   | \$6,258,500  | \$6,258,500  | \$6,258,500  | \$6,258,500  | \$6,258,500  | \$6,258,500  |
| One Time Transfers | \$10,000,000 | \$17,800,000 | \$19,500,000 | \$19,500,000 | \$16,000,000 | \$16,000,000 |
| Total              | \$16,258,500 | \$24,058,500 | \$25,758,500 | \$25,758,500 | \$22,258,500 | \$22,258,500 |

Of the \$41.9 million returned from the Trustee in FY 13, more than half was reassigned to the Transportation Fund. Reassigning fiduciary responsibility to the Department will help broaden the base of transportation funding and helps mitigate the growing costs of Wisconsin's highway infrastructure.

Consumers of gasoline do not distinguish between the gas tax (\$0.309 per gallon) and the Petroleum Inspection Fee (\$0.02 per gallon). Approving this transfer will have no impact on the consumer and formalizes the on-going relationship between the two revenue sources.

It is not the Department's intent to affect the current bonding indenture for the PECFA program and does not recommend a change to the process whereby funds are provided to the Trustee. Rather, once the funds are returned from the Trustee, the responsible fiduciary agent would be the Department, not DNR.



**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Freight Rail Program

**ISSUE TITLE:** State-owned Rail Line User Fee

**REQUEST:**

The Department requests the creation of a \$10 per carload user fee for railroads using state-owned rail lines. This fee will provide for an additional \$412,500 SEG revenue in FY 16 and \$550,000 SEG revenue in FY 17. The Department will need three months to implement this fee.

**SUMMARY:**

The State has provided support for freight rail service since 1977 when the rail assistance program was created to help communities and shippers preserve freight rail service during an era when widespread railroad bankruptcies and line abandonments threatened the availability of freight rail service in Wisconsin. Initially, the program was limited to grants to local governments because of constitutional restrictions on direct state assistance to railroads.

However, in 1992 Wisconsin voters approved a constitutional amendment that included railroads in the list of internal improvements state money could fund. With the constitutional amendment, the original rail assistance grant program was replaced by the current Freight Rail Preservation Program (FRPP) and the Freight Rail Infrastructure Improvement Program (FRIIP).

Under FRPP, the Department has the authority to purchase freight rail lines in the state in order to preserve current or future freight rail service. The program also provides grants to local units of government, industries, and railroads for the purpose of preserving and rehabilitating state-owned rail lines. Since 1980, under both the original rail assistance program and FRPP, \$221 million in grants have been awarded for rail acquisition and rehabilitation projects. FRPP is funded entirely with General Obligation bonding. New bonding authority is required in each biennial budget to continue the program. FRPP bonding levels have generally been about \$60 million per biennium in recent years.

Under FRIIP, the Department provides loans for various freight rail line improvements and related infrastructure improvements, such as loading and trans-loading facilities, on publicly and privately owned rail lines. FRIIP loans are also often used by railroads to provide all or a portion of the required match for FRPP grants. Since its inception in 1992, the program has provided \$123 million in loans to railroads, local governments, and private companies. The FRPP was capitalized with appropriations from the Transportation Fund until fiscal year 2003. Since fiscal year 2004, the program has been a self-sustaining revolving loan program.

Railroads operating in the state currently contribute to the state Transportation Fund through an annual ad valorem property tax which generates about \$28 million per year. In addition, railroads operating on state-owned rail lines are required to maintain the lines. Those railroads provide all or a portion of the required match to any FRPP grants for improvements to the lines, fund improvements to the lines themselves, and pay nominal fees to rail transit commissions<sup>1</sup> for use of the lines. However, the state does not receive payment from railroads for the use and operation of state-owned rail lines.

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<sup>1</sup> Wisconsin has seven rail transit commissions (RTCs): East Wisconsin, Pecatonica, South Central Wisconsin, Washburn County, Wisconsin River, Northwoods, and Pink Lady. RTCs are generally a partnership of local governments formed under s. 59.58(3), 66.0301, or 66.1021, Wis. Stats. RTCs were created to help preserve rail service or the potential for rail service and to influence policies on the future use of rail corridors if rail service is discontinued. The Department confers much of the responsibility for railroad operations and management of state-owned freight rail lines to the RTCs, which typically contract with private railroads for service for a nominal fee.

The state owns 534 miles of freight rail lines, is in the process of acquiring 69 additional miles, and has a significant ownership interest (through grants provided for those lines) in an additional 114 miles of freight rail lines. Those lines are used by three railroads, the Wisconsin and Southern Railroad (WSOR), the Wisconsin Great Northern Railroad (Great Northern), and the Escanaba and Lake Superior Railroad (E&LS).

Railroads which utilize state-owned rail lines are required to provide data, including carloads, to the Department annually. Based on that data, the WSOR has averaged hauling about 64,000 carloads per year on state-owned lines over the last five years. The Great Northern has rights to operate freight service on state-owned lines, but currently operates only passenger excursion trains on those lines. E&LS is a different circumstance in that they own the lines they operate on, but the state has an ownership interest based on grants provided to reconstruct and rehabilitate those lines.

**JUSTIFICATION:**

The Wisconsin Transportation Finance and Policy Commission, established by 2011 Wisconsin Act 32, recommended “that freight rail operators who use the state-owned network be charged a fee of \$10 per rail car for using the state-owned rail network” in its final report to the Governor and Legislature in January 2013. In making the recommendation, the Commission recognized that freight rail is an essential part of the state’s freight network and considered current railroad contributions to the system, the need for continued emphasis on upgrading existing state-owned lines and acquiring lines that would otherwise be abandoned to preserve a mobility option for those lines in the future, much of the current state-owned system is limited to speeds of 25 miles per hour or less, and the increasing demand for freight rail service and the impact freight transport has on the state’s economy.

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**TOPIC:** State-owned Rail Line User Fee

**DESCRIPTION OF CHANGE:**

The Department requests the authority to impose a per carload user fee on railroads operating on state-owned rail lines in Chapter 76, Wisconsin Statutes, using the definition of a railroad in s. 76.02, Wis. Stats. Define carloads as loaded freight railroad cars operated in revenue service. Require that all railroads operating on state-owned rail lines must report the number of carloads hauled on state-owned rail lines annually no later than April 1 for the previous calendar year.

**JUSTIFICATION:**

The state has provided support for freight rail service since 1977 when the original rail assistance program was created to help communities and shippers preserve freight rail service during an era when widespread railroad bankruptcies and line abandonments threatened the availability of freight rail service in Wisconsin. Initially, the program was limited to grants to local governments because of constitutional restrictions on direct state assistance to railroads.

However, in 1992 Wisconsin voters approved a constitutional amendment that included railroads in the list of internal improvements state money could fund. With the constitutional amendment, the original rail assistance grant program was replaced by the current Freight Rail Preservation Program and the Freight Rail Infrastructure Improvement Program. The programs have provided about \$221 million in grants and \$119 million in loans freight rail infrastructure improvements and acquisitions.

Railroads operating in the state currently contribute to the state Transportation Fund through an annual ad valorem property tax which generates about \$28 million per year. In addition, railroads operating on state-owned rail lines are required to maintain the lines. In addition, those railroads provide all or a portion of the required match to any FRPP grants for improvements to the lines, fund improvements to the lines themselves, and pay nominal fees to rail transit commissions for use of the lines. However, the state does not receive any payment from railroads for the use and operation of state-owned rail lines.

The state owns 534 miles of freight rail lines, is in the process of acquiring 69 additional miles, and has a significant ownership interest (through grants provided for those lines) in an additional 114 miles of freight rail lines. Those lines are used by three railroads, the Wisconsin and Southern Railroad (WSOR), the Wisconsin Great Northern Railroad (Great Northern), and the Escanaba and Lake Superior Railroad (E&LS).

The Wisconsin Transportation Finance and Policy Commission, established by 2011 Wisconsin Act 32, recommended, "that freight rail operators who use the state-owned network be charged a fee of \$10 per rail car for using the state-owned rail network" in its final report to the Governor and Legislature in January 2013. In making the recommendation, the Commission recognized that freight rail is an essential part of the state's freight network and considered current railroad contributions to the system, the need for continued emphasis on upgrading existing state-owned lines and acquiring lines that would otherwise be abandoned to preserve a mobility option for those lines in the future, much of the current state-owned system is limited to speeds of 25 miles per hour or less, and the increasing demand for freight rail service and the impact freight transport has on the state's economy.

# Department of Transportation 2015-17 Biennial Budget Request ISSUE PAPER

**PROGRAM:** Motor Vehicle Services and Enforcement

**ISSUE TITLE:** Oversize/Overweight Permit Fee Change

**REQUEST:**

The Department requests increasing fees for the oversize and overweight permit program in order to better reflect the costs of permit issuance and increased damage to roads and bridges. The Department will need three months to implement the fee increases. It is estimated SEG revenue will increase \$3,750,000 in FY 16 and \$5,000,000 in FY 17, once the increase is fully implemented.

**SUMMARY:**

Oversize and overweight (OSOW) permits authorize vehicles and loads to operate at higher than the standard sizes and weights. Before the Department issues an OSOW permit, it must:

- Review of a permit application;
- Assign appropriate operating allowances, conditions and restrictions; and
- Issue a permit.

OSOW requirements are enforced by the Division of State Patrol.

OSOW permits are often issued with specific restrictions and requirements. The Department's primary goals in permit issuance are: 1) assisting oversize and overweight freight in moving safely and efficiently; 2) protecting roads and bridges from undue damage; and 3) promoting highway safety and the use of the highways by non-permitted vehicles. The Department may require private escort vehicles or law enforcement escort vehicles, or both.

An OSOW permit allows for the operation of a vehicle or load that exceeds the statutory limitations. In general, OSOW permits are issued for non-divisible loads, with exceptions. Permits are issued by the Department for single trip or annual multiple trip purposes. A single trip permit is valid for 14-days and only one trip. The route to be taken by the vehicle must be specified during the permit process and a return trip is allowed at no charge if requested by the operator with the original permit application.

Under s. 348.26(8), Wis. Stats., the Department may also issue single trip permits for the transportation of a sealed load. A sealed load consists of commodities or products that have been sealed with a tamper-evident seal affixed at the time of initial loading. The load must be in transport as a stage in international trade.

An annual multiple trip permit allow for unlimited trips and is available for a range of 3 to 12 months. Unlike single-trip permits, the origin and destination and routes under annual multiple trip permits are not specified and may vary widely from trip to trip. Depending on permit type, they may be valid on all roadways, unless local conditions restrict vehicles. The maximum allowable load is 170,000 pounds, with maximum load dimensions of 150 feet long, 14 feet wide and 16 feet high. Examples of non-divisible loads under a annual multi-trip permit include transporting transformers, boats, air conditioners, and cranes under-own-power. Divisible load permits generally have lower maximum allowable weights and authorize hauling of raw forest products and garbage, refuse and recyclable scrap, for example.

Wisconsin statute authorizes the Department to charge fees for those permits that require engineering reviews. The Department charges these fees when a specific permitted load is so large or heavy that the possible effects upon pavement and bridges must be evaluated in specific detail. The Department charges \$10.00 per region when the route must be reviewed by a regional highway office. The Department charges an additional \$10.00 fee when a review of specific highway structures is necessary.

To support highway safety en route and control traffic at congested intersections, in some circumstances the Department requires permittees to obtain the services of law enforcement escort vehicles, usually provided by DSP because of travel across numerous local jurisdictions. If escort services are provided by DSP, the carrier is charged for these services after the fact to reflect the actual cost. These services are charged separately from the OSOW permitting process.

Wisconsin's OSOW permit fees are specified in s. 348, Wis. Stats. A summary of the single trip and annual multiple trip fees are provided below:

| <b>Table 1<br/>Summary of Current OSOW Permit Fees</b> |                             |   |
|--|-----------------------------|---|
| <b>Permit</b>  | <b>Single Trip</b>          | <b>Annual Multiple Trip</b>   |
| Overlength   | \$15                        | \$60  |
| Overwidth or Overheight                                | \$20                        | \$90  |
| Overwidth and Overheight                               | \$25                        | \$90  |
| Overweight (Includes any oversize)                     |                             |   |
| 0 – 90,000 lbs.  | \$20                        | \$200   |
| 90,0001 – 100,000 lbs.                                 | \$35                        | \$350   |
| 100,001 – and up lbs.                                  | \$35 + \$10 per 10,000 lbs. | \$350 + \$100 per 10,000 lbs.   |
| Sealed Container                                       | \$30                        | \$300   |
|  |                             | Consecutive Month Permits<br>\$15 fee in addition to prorated<br>annual fee for same type of permit |

Under the proposed fee structure, the cost of permitting fees for single trip and annual multiple trips would double from their existing amount.

**JUSTIFICATION:**

OSOW permits are issued by the Department and, depending on the type of permit, by local road maintenance authorities including counties, cities, villages and towns. OSOW permits authorize the operation of vehicles in excess of typical legal size and weight limits on highways.

OSOW permit loads impose additional costs on the state and local governments. These additional costs include:

1. Administration for permit issues, including staffing, offices equipment and support;
2. Engineering review for larger and heavier loads;
3. Enforcement, including safety inspection of oversize and overweight equipment;
4. Life cycle costs for pavement and bridges to accommodate loads exceeding legal size and weight, including initial construction, maintenance, and mid-life renovations; and
5. Ad hoc mitigations by the Department at specific locations, such as modifying curbs, relocating signs, and widening corners, to accommodate OSOW loads.

OSOW permit fees were last increased in 1981. The Department collected approximately \$5.8 million in revenue from OSOW permits in FY 14. A comparison of the existing OSOW fee structure shows Wisconsin to be mid-range when compared to fees assessed by other Midwestern states is shown in Table 2. The table shows the cost for each state to issue a permit for a 7-axle vehicle weighing 160,000 lbs. with one of more axles weighing 2,286 pounds.

| <b>State</b>          | <b>Single Trip Permit</b> | <b>Annual Multi-trip Permit</b>             |
|-----------------------|---------------------------|---|
| Iowa                  | \$10.00                   | \$300                                       |
| North Dakota          | 45.00                     | 100   |
| Michigan <sup>1</sup> | 50.00                     | 1,557                                       |
| Minnesota             | 56.16                     | 900   |
| <b>Wisconsin</b>      | <b>85.00</b>              | <b>850</b>                                  |
| Indiana               | 120.00                    | Does not issue annual permit for overweight |
| Illinois <sup>2</sup> | 265.00                    | 1,000                                       |

<sup>1</sup> MI-weights up to 160,000 lbs are paid through vehicle registration fees. Fee shown in table includes difference in registration fees.

<sup>2</sup> IL-charges additional fees for bridge analysis, district investigation, and state police escorts. These costs are not reflected in fees shown in table.

Over the past several years, there has been a steady increase in the number of OSOW permits issued by the Department. Table 3 is a summary of the number of permits issued and revenue generated from these permits by fiscal year between 2010 and 2014.

| <b>Fiscal Year</b> | <b>Permits Issued</b> |                          | <b>Total Revenue</b> |
|--------------------|-----------------------|--------------------------|----------------------|
|                    | <b>Single Trip</b>    | <b>Annual Multi-trip</b> |                      |
| 2014               | 50,579                | 18,387                   | \$5,841,052          |
| 2013               | 49,267                | 17,601                   | \$5,685,089          |
| 2012               | 47,264                | 18,514                   | \$5,604,827          |
| 2011               | 41,635                | 18,201                   | \$5,220,507          |
| 2010               | 36,610                | 17,601                   | \$4,758,418          |

The OSOW permit fees are deposited into the Transportation Fund, which funds infrastructure, local roads and Department operations. This includes the cost of building and maintaining a transportation system that can accommodate oversize or overweight loads. The proposed fee increases will assist in keeping the fees for OSOW permits in-line with the additional costs incurred by the state to maintain the transportation network.

The Department anticipates an additional \$5 million in revenue annually from the increased fees once fully implemented. The Department will need three months to implement this fee change.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**TOPIC:** Oversize/Overweight Permit Fee Change

**DESCRIPTION OF CHANGE:**

The Department requests the following statutory modifications for permits issued under s. 348.25(8)(a), Wis. Stats., related to single trips:

- a) Change the fee for a vehicle that exceeds length limitation from \$15 to \$30;
- b) Change the fee of a vehicle that exceeds either width or height limitations from \$20 to \$40;
- c) Change the fee of a vehicle or combination of vehicles that exceed both width and height limitations from \$25 to \$50; and
- d) Change the fee of a permit issued under s. 348.26(8), Wis. Stats. from \$30 to \$60.

The Department also requests the following statutory modifications to permits issued under s. 348.25(8)(b) Wis. Stats. related to multiple trip or annual trips:

- a) Change the fee for a vehicle or combination of vehicles that exceeds length limitations from \$60 to \$120;
- b) Change the fee for a vehicle or combination of vehicles that exceed width limitations or height limitations or both from \$90 to \$180;
- c) Change the fee for a vehicle or combination of vehicles that operate on a class "A" highway, with a gross weight at or above 90,000 pounds but below 100,000 pounds, from \$200 to \$400;
- d) Change the fee for a vehicle or combination of vehicles that operate on a class "A" highway, with a gross weight more than 90,000 pounds but less than 100,000 pounds, from \$350 to \$700;
- e) Change the fee for a vehicle or combination of vehicles that operate on a class "A" highway, with a gross weight greater than 100,000 pounds, from \$350 plus \$100 for each 10,000 pound increment to \$700, plus \$200 per 10,000 pound increment;
- f) Change the fee for a permit issued under s.348.27 (17), Wis. Stats. from \$300 to \$600; and
- g) Change the fee for a permit issued under s.348.27 (18), Wis. Stats. from \$300 to \$600.

In addition, the Department requests the fee for a consecutive month permit provided under s. 348.17.25(8)(bm), Wis. Stats. from \$15 to \$30 and the additional cost for each permit issued under 348.27(b)(bm)2, Wis. Stats. from \$15 to \$30.

**JUSTIFICATION:**

The permit fees for oversize/overweight vehicles were last increased in 1981. Keeping them at their current level has reduced the real contribution of the permit fee revenue that is used to support the transportation system. The proposed fee increase will assist in with maintaining the State's transportation network.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Motor Vehicle Services and Enforcement

**ISSUE TITLE:** Market Based Fees for Bulk/Data Records

**REQUEST:**

The Department requests authority to allow the Division of Motor Vehicles (DMV) to charge market prices for bulk data and record sales and to clarify the requirements for criminal background checks for persons who access DMV's information systems. Charging a market-based fee for bulk data and record sales will result in \$750,000 in FY 16 and \$1,000,000 FY 17 in additional SEG revenue.

**SUMMARY:**

The Department currently offers six bulk record and date files for purchase by customers. These files are use by various businesses to track vehicle trends, conduct safety recalls, and for insurance verification purposes. DMV charges ether a flat subscription fee or a cost per record provided. Under current law, the Department may only charge the actual cost incurred to produce the data files and records. Due to these limitations, the Department charges an average of \$0.75 per thousand records provided.

Compared to other states, the fees charged for bulk record access are very low. Allowing for DMV to charge market prices for bulk data and record sales will result in approximately \$750,000 in FY 16 and \$1,000,000 in FY 17 in additional revenue for the Transportation Fund.

**JUSTIFICATION:**

The Department provides six bulk vehicle record files to customers for purchase. These records are used for a variety of functions, such as tracking vehicle trends, safety recalls, and insurance verification. The files are provided through a subscription service, which charges a set fee for a bulk file or \$1.00 per thousand records in the file. Under current law, the Department may only charge the cost to produce the data files and records.

Table 1 below, summarizes DMV's bulk data and records sales. The annual revenue collected from these services is approximately \$98,800. The revenue fluctuates because the number of purchasers will change from year-to-year.

**Table 1  
DMV Bulk Data and Record Sales**

| <b>File Name</b>                       | <b>Subscription Period</b> | <b>Number of Purchasers</b> | <b>Subscription Rate/Cost</b> | <b>Estimated Annual Revenue</b> |
|--|----------------------------|-----------------------------|-------------------------------|---------------------------------|
| License Plate File                     | Semi-annual                | 17                          | \$25.00/6-mo                  | \$850                           |
| International Registration Plan        | Monthly                    | 2                           | \$1.00/1K records             | \$168                           |
| Manufacturer's Safety Report           | Weekly                     | 4                           | \$1.00/1K records             | \$37,440                        |
| ACTSCAN                                | Quarterly                  | 7                           | \$500/yr                      | \$3,500                         |
| New Vehicle Report                     | Monthly                    | 5                           | \$1,000/yr                    | \$5,000                         |
| Vehicle Address Name                   | Semi-annual                | 3                           | \$1.00/1K records             | \$51,900                        |
| <b>TOTAL ESTIMATED ANNUAL REVENUES</b> |                            |                             |                               | <b>\$98,858</b>                 |

On average, DMV charges \$0.00075 per record for the License Plate File, International Registration Plan, Manufacturer's Safety Report and Vehicle Address Name reports. The cost per record fee is very low, compared to other states. According to a recent survey conducted by the American Association of Motor Vehicle Administrators the average cost per record charged by other states with a similar pricing structure as Wisconsin, was \$0.0265 per record. Midwestern states that responded to the survey showed an average cost of \$0.0221 per record.

**Table 2**  
**Average Cost of Records of Other Midwestern States**

| State     | Cost Per Record  | Cost Per Thousand |
|-----------|------------------|-------------------|
| IA        | \$0.0003         | \$0.30            |
| IL        | 0.05             | \$50.00           |
| MI        | 0.16             | \$16.00           |
| <b>WI</b> | <b>\$0.00075</b> | <b>\$0.75</b>     |

It is estimated that allowing DMV to charge a market based rate for bulk data and records could result in an additional \$1,000,000 in annual revenue for the Transportation Fund. Table 3 below, provides a sample of potential rates and revenue projections.

**Table 3**  
**Sample Estimated Revenue for DMV Bulk Data and Record Sales**

| File Name                              | Proposed Subscription Period | Estimated Number of Purchasers | Proposed Rate        | Estimated Annual Revenue* |
|--|------------------------------|--------------------------------|----------------------|---------------------------|
| License Plate File                     | Yearly                       | 10                             | \$50,000/yr          | \$500,000                 |
| International Registration Plan        | Monthly                      | 1                              | \$112/record set     | \$1,300                   |
| Manufacturer's Safety Report           | Weekly                       | 4                              | \$2,800/record set   | \$291,200                 |
| ACTSCAN                                | Yearly                       | 5                              | \$32,000/yr          | \$160,000                 |
| New Vehicle Report                     | Yearly                       | 5                              | \$5,000/yr           | \$15,000                  |
| Vehicle Address Name                   | Semi-annual                  | 3                              | \$140,000/record set | \$553,600                 |
| <b>TOTAL ESTIMATED ANNUAL REVENUES</b> |                              |                                |                      | <b>\$1,521,100</b>        |

\* Rounded to the nearest hundredth.

The estimates above are based on a new rate of \$0.016 per record. For example, the International Registration Plan (IRP) file has approximately 7,000 records. Therefore, the monthly subscription cost for the complete record set of the IRP file would be \$120 per month (i.e., 7,000 x \$0.016 = \$112.00). Due to the number of records and purchasers of the license plate file the yearly subscription rate was reduced to an annual subscription cost of \$50,000 per year.

Table 3 also provides a sample of the estimated number of purchasers for each file. The actual number of purchasers can vary by file type and the purchaser's use of the data from year-to-year. However, Wisconsin's existing fee structure has not kept pace with market demand for such information when compared to other states. Consequently, it is anticipated that most purchasers will continue to subscribe with DMV to receive the records.

The Department will need three months to implement these changes.

#### *Criminal Background Checks*

Under s. 110.09(2), Wis. Stats., the Department is required to have persons who are granted access to any information system maintained by DMV that includes personal identifiers to undergo a background check. The Department is requesting a statutory modification to require only those persons with direct access to DMV's information systems to undergo a criminal background check. Direct access would include individuals who are able to copy, print, or modify the personal identifiers contained in DMV's records.

Currently, other agencies and organizations request access to DMV records that contain personal identifiers, in order to verify their own information. For example, the Department of Natural Resources (DNR) has direct access to DMV's systems to verify customer information received for hunting and fishing licenses. Under existing law, any staff from DNR conducting these cross-checks must have a background check completed, even though they do not have the ability to modify, copy or print the information contained in DMV's system.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**TOPIC:** Market-Based Fees for Bulk Data and Records

**DESCRIPTION OF CHANGE:**

The Department requests modifications to existing statutory language to allow the Division of Motor Vehicles (DMV) to charge a market price for bulk data and records sales and to change the requirements for criminal background checks for access to DMV information systems. It is estimated that requested statutory changes would result in \$750,000 in FY 16 and \$1,000,000 in FY 17 in additional revenues to the Transportation Fund.

In addition, the Department is requesting a modification to s.110.09(2), Wis. Stats. to clarify that a criminal background check is only required for persons who are granted direct access to information maintained by DMV, if the record contains personal identifiers, as defined in s. 85.103(1), Wis. Stats. Direct access would include updating, printing or creating a record containing personal identifiers. However, it does not include individuals or organizations completing a transaction on their own behalf, or agents completing a transaction on behalf of an individual, with their consent.

**JUSTIFICATION:**

Under existing statute, state government agencies may impose a fee upon the requester of a copy of a record which may not exceed the actual cost of reproduction or transcription of the record, unless specifically authorized in law. The Department must determine the costs of compiling the lists and other information when determining the charge to assess for subscriptions to the vehicle registration lists. The Department is requesting modifications to s. 19.35(3)(a) and s. 341.17(6), Wis. Stats. to allow the Department to charge a market-based fee for bulk data and records sales. The fee assessed would be established by the Department.

Under s. 110.09(2), Wis. Stats., the Department is required to have any person that is granted access to any information system that stores information maintained by the Division of Motor Vehicles (DMV) be subject to submit to a criminal background investigation. The Department is requesting a modification that would require a criminal background check for persons who are granted direct access to information maintained by DMV, if the record contains personal identifiers, as defined in s. 85.103(1), Wis. Stats. The provision would not apply to individuals or organizations completing a transaction on their own behalf, or agents completing a transaction on behalf of an individual, with their consent.

Agencies and organizations may request access to DMV records that contain personal identifiers in order to verify information. The modification would allow staff from these organizations and agencies to complete the verification process, without requiring a criminal background check if the agency is unable to copy, print or modify the information contained in DMV's records. For example, if another state agency's system accessed DMV's systems to verify information, staff from that agency would not be required to undergo a criminal background check if they were unable to make any modifications to DMV's records. A change in this statutory requirement would also require a review of administrative code.

| <b>BUDGET NARRATIVE FORM</b>                       |            |                                     |               |
|--|------------|-------------------------------------|---------------|
|  | Codes      | Titles                              | Page          |
| AGENCY NARRATIVE                                   | <b>395</b> | <b>Department of Transportation</b> | <b>1 of 1</b> |
| PROGRAM NARRATIVE                                  | <b>01</b>  | <b>Aids</b>                         |               |
| SUB-PROGRAM NARRATIVE                              |            |                                     |               |
| <b>-NOT FOR USE WITH DECISION ITEM NARRATIVES-</b> |            |                                     |               |

The aids program provides financial assistance to local units of government and, in some cases, other entities for the purpose of maintaining and improving transportation services. One element of the program involves the formula distribution of highway related aids including: aids for the construction, maintenance, and operation of local jurisdiction transportation facilities; aids for locally incurred expenses on connecting highways and lift bridges; and aids to communities affected by road related flood damage.

In addition, this program provides aids to both rural and urban communities to defray a portion of the costs associated with public transit services and to counties and non-profit agencies for the cost of specialized transportation of the elderly and disabled.

These aid programs are primarily administered by the Division of Transportation Investment Management, which is responsible for overseeing programs designed to assist local units of government and the private sector in the provision of transportation services. The Bureau of Transit, Local Roads, Rails and Harbors, within the division, is primarily responsible for administering these aid programs.

## PROGRAM 1 PERFORMANCE MEASURE

|                  |   |
|------------------|---|
| PROGRAM 1:       | Transportation Aids   |
| GOAL:            | Provide direct aid to counties and municipalities to assist them with transportation-related activities |
| ACTIVITY:        | Provide transit system aids based on cost-efficiency  |
| OBJECTIVE:       | Avoid financial penalties to transit systems for failure to meet Department cost efficiency standards   |
| OUTCOME MEASURE: | Number of transit systems not in compliance with department cost efficiency standards                   |

DESCRIPTION OF ACTIVITY: Locally sponsored public transit systems whose service area includes a city or village over 2,500 in population are eligible for transportation aid for transit operating expenses. Transit systems are divided into six peer groups based on commonality of operating system characteristics: size of municipality, bus, shared-ride taxi and taxi systems.

The Department establishes cost-efficiency standards for Wisconsin's public transit systems and assesses each system's performance. Six performance measures are used:

- Ratio of passengers, as expressed in unlinked trips to service area population;
- Ratio of operating expenses to passengers, as expressed in unlinked trips;
- Ratio of operating expenses to revenue hours;
- Ratio of revenues to operating expenses;
- Ratio of passengers, as expressed in unlinked trips, to revenue hours; and
- Ratio of revenue hours to service area population.

The cost efficiency analysis follows a three-stage methodology.

Stage One involves analysis through peer group comparisons by system type. To be in compliance at Stage One, a system must meet or exceed the performance standard for four of the six performance measures.

Stage Two is a time-trend analysis over a five-year period. A system must show improvement in the non-compliant measures from Stage One. For example:

- A system is compliant in three measures. It needs to show that in at least one of the remaining measures, it has demonstrated improvement during the past five years.
- If it does, it is considered compliant (three compliant measures + one improved measure = the four measures needed to be compliant).
- In other words, a system is not repeatedly penalized each year if it is making progress.

Stage Three assesses the implementation status of recommendations made in the system's most recently completed management performance audit.

- If significant progress has been made, the system is in compliance.
- If not, the Department (or a consultant paid for by the transit system) provides technical assistance to aid in the implementation of the recommendations.
- A management performance audit will also be performed if one has not been done in the last three years.

Systems out of compliance with the cost efficiency standards outlined above are given a three-year period in which to comply before being assessed a revenue penalty. After three years of non-compliance, a 10 percent revenue penalty may be imposed, which limits state aids to 90 percent of the amount the system would have been entitled to if it were in compliance.

The penalty remains in effect until the system becomes compliant.

**ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:**  
For FY 15, the amount appropriated for tiered Transit Operating Aids is \$ 107.5 million SEG.; \$51.6 million LOCAL, \$85.5 million local farebox and \$59.6 million FED.

**RELATED DECISION ITEMS:** 5103, 5104, 5105

**PLANNED PROGRESS TOWARD OBJECTIVE:**

There are three recipients of state funds out of compliance with Stage Two for 2013: bus operations in the City of Superior and shared-ride taxi systems in City of Rice Lake and Waupun.

The Duluth Transit Authority operates two daily fixed routes in Superior (with paratransit service), its neighbor to the south. The hours of service have stayed relatively stable over time, but ridership (and its accompanying revenue) has decreased. This led to four of the Superior routes' six performance measures to be out of compliance: (cost per passenger, revenues as a percentage of expense, passengers per service hour and per capita).

Since there has been no past management performance audit of the Superior routes, the Department will perform one in 2015. The Northwest Wisconsin Regional Planning Commission (RPC) also recently received a grant from State of Wisconsin to work with the Metropolitan Interstate Council (Duluth-Superior Metropolitan Planning Organization) and other parties to address this issue. The RPC is conducting rider surveys and analyzing route data to determine how best to serve the City of Superior while improving the efficiency of operations. The Department will utilize this information in the upcoming management performance audit.

Rice Lake's "City Cab" system, one of just two publicly-operated taxi systems in the state, was out of Stage One compliance in five of the past seven years. The system has cut costs over time while its farebox recovery and ridership increased from 2010 to 2012, but expenses were not cut to an amount commensurate with the service hour reduction (18% versus 40%), resulting in the highest cost per hour (\$50.27) of any shared-ride taxi system in the state. The drop in service hours also led to lower numbers in passengers and service hours per capita, putting the City Cab system out of compliance in five of the six performance measure categories.

City Cab of Rice Lake underwent a management -performance audit in 2010, but the Department will audit the system again in 2015. In August 2013, the Rice Lake City Council agreed that a Transit Ad Hoc Committee should be formed to discuss the future of the system. The committee has not yet been formed.

The Waupun taxi system's ridership figures decreased from 2007 to 2012, putting the service outside the acceptable range in five performance measures (all but cost per hour). Ridership and revenue improved in 2013, partially because the taxi system expanded service to include late-night availability on weekends. All six performance measures still do not match those figures from 2008-2009, so continued improvement is needed before the system can be considered Stage Two compliant.

That improvement appears to be underway, as the first and second quarter 2014 ridership and revenue figures are significantly higher than from the same time last year. It is probable the system will be in Stage Two compliance in 2014 — and possibly even in Stage One compliant — as ridership figures approach the statewide average. If performance slows in the second half of this year, the Department will require a management performance audit to be conducted early in 2015.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** Population data (service area) will always be skewed as peer groups are taken from the National Transit Database (NTD). The NTD does not have standards for systems to determine their service areas/population, thus self-reporting is inconsistent. In addition, commuter bus, rural bus, and shared-ride taxi systems are compared to their Wisconsin peers only – their compliance on a national level may be different, but the Department does not have external comparisons to use. The Department also relies on these smaller systems to self-report their data, which may result in inconsistencies in certain services.

**USE OF OUTCOME MEASURES IN PROGRAMMING:** Noncompliance for three years may result in reduced funding for the noncompliant system or other action recommended to the local municipality. The withheld penalty is redistributed among the other systems within the tier.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 01 GENERAL TRANSPORTATION AIDS  
NA 190 TRANSPORTATION AIDS TO COUNTIES, STATE FUNDS  
ALPH AS TRANSPORTATION AIDS TO COUNTIES, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                  | CHANGE AUTHOR 1A |               |                |
|-------------------|------------------|------------------|---------------|----------------|
| EXPENDITURE ITEMS |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 10                | LOCAL ASSISTANCE | 95,561,800.00    | 95,561,800.00 | 191,123,600.00 |
| 17                | TOTAL COST       | 95,561,800.00    | 95,561,800.00 | 191,123,600.00 |

**DIN 5101: FUNDING CY 15 GENERAL TRANSPORTATION AIDS**

|                 |                   |                |                    |                     |              |
|-----------------|-------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395 | PROGRAM: 01       | SUBPROGRAM: 01 | APPROPRIATION: 190 | DECISION ITEM: 5101 |              |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 10              | LOCAL ASSISTANCE  |                | 2,838,400.00       | 2,838,400.00        | 5,676,800.00 |
| 17              | TOTAL COST        |                | 2,838,400.00       | 2,838,400.00        | 5,676,800.00 |

**SUMMARY:** The Department requests \$2,838,400 SEG in FY 16 and FY 17 in Appropriation 190, s. 20.395(1)(as), Wis. Stats., for general transportation aids to counties and \$6,178,100 SEG in FY 16 and FY 17 in Appropriation 191, s. 20.395(1)(at), Wis. Stats., for general transportation aids to municipalities. These increases would provide \$98,400,200 SEG in FY 16 and FY 17 for general transportation aids to counties and \$321,260,500 SEG in FY 16 and FY 17 for general transportation aids to municipalities.

**DISCUSSION:** The General Transportation Aids (GTA) Program provides reimbursements to each of Wisconsin’s 1,923 local governments to help defray a portion of the costs incurred for construction, maintenance, and operation of the local road and street system. GTA is a reimbursement program based on each local government’s eligible transportation related expenditures and is paid on a calendar year basis. The relationship between calendar year payments and fiscal year appropriations is different for counties and municipalities as a result of 2007 Wisconsin Act 226. For municipalities, the current fiscal year provides funding for one-half of the previous calendar year and one-half of the current calendar year. For example, FY 16 = (½ CY 15) + (½ CY 16). 2007 Act 226 changed the formula for counties to the current fiscal year providing three-quarters of the previous calendar year and one-quarter of the current calendar year. For example, FY 16 = (3/4 CY 15) + (1/4 CY 16). The Department’s request represents the amounts necessary to fully fund CY 15 GTA payments as provided in 2013 Wisconsin Act 20 and ss. 86.30(9)(b) and (c), Wis. Stats.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 01 GENERAL TRANSPORTATION AIDS  
NA 191 TRANSPORTATION AIDS TO MUNICIPALITIES, STATE FUNDS  
ALPH AT TRANSPORTATION AIDS TO MUNICIPALITIES, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                  | CHANGE AUTHOR 1A |                |                |
|-------------------|------------------|------------------|----------------|----------------|
| EXPENDITURE ITEMS |                  | 1ST YEAR COST    | 2ND YEAR COST  | TOTAL          |
| 10                | LOCAL ASSISTANCE | 315,082,400.00   | 315,082,400.00 | 630,164,800.00 |
| 17                | TOTAL COST       | 315,082,400.00   | 315,082,400.00 | 630,164,800.00 |

**DIN 5101: FUNDING CY 15 GENERAL TRANSPORTATION AIDS**

|                 |                   |                |                    |                     |               |
|-----------------|-------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 01       | SUBPROGRAM: 01 | APPROPRIATION: 191 | DECISION ITEM: 5101 |               |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 10              | LOCAL ASSISTANCE  |                | 6,178,100.00       | 6,178,100.00        | 12,356,200.00 |
| 17              | TOTAL COST        |                | 6,178,100.00       | 6,178,100.00        | 12,356,200.00 |

**See Decision Item 5101-Appropriation 190 for an explanation.**

## **DIN 5105: SUPPLEMENTAL TRANSIT EXPANSION PROGRAM**

|                   |                  |                |                    |                     |               |
|-------------------|------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 01      | SUBPROGRAM: 02 | APPROPRIATION: 117 | DECISION ITEM: 5105 |               |
| EXPENDITURE ITEMS |                  |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 10                | LOCAL ASSISTANCE |                | 4,044,400.00       | 16,177,600.00       | 20,222,000.00 |
| 17                | TOTAL COST       |                | 4,044,400.00       | 16,177,600.00       | 20,222,000.00 |

**SUMMARY:** The Department requests the creation of a new continuing GPR appropriation in s. 20.395(1), Wis. Stats., for a new transit program to promote increases in transit availability and transit ridership. In addition, the Department requests funding in the new appropriation of \$4,044,400 in FY 16 and \$16,177,600 in FY 17.

**DISCUSSION:** The requested program is specifically targeted to increase transit availability and ridership statewide. Between 2009 and 2013, the total number of revenue hours for transit systems in Wisconsin declined 2.8 percent, from 3,824,273 in 2009 to 3,717,387 in 2013. In response, the total number of transit trips taken declined 2.8 percent from 75,464,384 in 2009 to 72,775,046 in 2013. It is estimated that approximately 55 percent of Wisconsin's residents have access to public transportation. Out of the total number of trips provided, approximately 48 percent of transit trips are work related. Transit services are an important link to the state's employers and workers to get members of the community to and from their jobs.

The Transit Ridership Increases Program provides additional state operating assistance to meet three goals:

1. Increase transit availability and ridership statewide;
2. Establish additional transit service with a meaningful connection to employment; and
3. Encourage economic development through enhanced transit services within a community.

The program is structured to allow new and existing transit systems to request additional funding to provide new service routes as part of the State's annual public transit application process, as defined in s.85.20 Wis. Stats. All new service beginning after January 1, 2016 or the reinstatement of services that were eliminated between January 1, 2010 and June 30, 2013, that meet predefined criteria, will be eligible to receive state aid to cover up to 80 percent of the eligible service route's operating deficit.

During its review of transit related issues, the Transportation Finance and Policy Commission, was informed by public officials, transit agencies and associations, and transit riders that the cuts made to public transit funding in the 2011-13 biennium led to reduced transit service in their communities. In combination with reduced shared revenue payments, tax levy limits, repeal of the statutory authority to create Regional Transit Authorities, and the lack of a dedicated source of local funding for public transit, some transit systems cut services and increased fares, eliminating services to some populations entirely.

The Supplemental Transit Expansion Program will provide additional aid to assist local communities in establishing vital links for persons who use transit services to access jobs, education, health care services, family and friends, shopping and culture.

**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Supplemental Transit Expansion Program (STEP)

**DIN:** 5105

**ISSUE TITLE:** Supplemental Transit Expansion Program

**REQUEST:**

The Department requests the creation of a new continuing GPR appropriation in s. 20.395(1), Wis. Stats., for a new transit program to promote increases in transit availability and transit ridership. The Department requests funding in the new appropriation of \$4,044,400 in FY 16 and \$16,177,600 in FY 17.

**SUMMARY:**

The Supplemental Transit Expansion Program (STEP) program will specifically target increasing transit availability and ridership statewide. Between 2009 and 2013, the total number of revenue hours for transit systems in Wisconsin declined 2.8 percent, from 3,824,273 in 2009 to 3,717,387 in 2013. In response, the total number of transit trips taken declined 3.6 percent from 75,464,384 in 2009 to 72,775,046 in 2013. It is estimated that approximately 54 percent of Wisconsin's residents have access to public transportation. Of the total number of transit trips provided, approximately 48 percent trips are work related. Transit services are an important link to the state's employers and workers to get members of the community to and from their jobs.

STEP would target operating assistance funding to:

1. Increase transit availability and ridership statewide;
2. Establish additional transit service with a meaningful connection to employment; and
3. Encourage economic development through enhanced transit services within a community.

The program will be structured to allow new and existing transit systems to request STEP funding to provide new service routes as part of the State's annual public transit application process, as defined in s.85.20, Wis. Stats. All new service beginning after January 1, 2016 or the reinstatement of services that were eliminated between January 1, 2010 and June 30, 2013, that meet predefined criteria, will be eligible to receive state aid to cover up to 80 percent of the eligible service route's operating deficit. Services would transition out of STEP and into the Urban Mass Transit Operating Assistance Program as the demands for STEP increase beyond the funding availability.

Recognizing the impact of recent funding reductions to transit services, the Transportation Finance and Policy Commission recommended restoration of the annual \$9.3 million cut to public transit implemented as part of the 2011-13 biennial budget and restoration of an additional \$9.5 million annually to bring transit tier funding back to historic levels. Overall, the Commission recommended an \$18.4 million annual investment in state operating aids for transit services.

Combined with the request to transfer the transit program from existing appropriations to new appropriations (DIN 5103), the Department is requesting an overall annual increase to Wisconsin's transit program of \$18.4 million.

**Table 1  
New Transit Funding in CY 2016-17**

|  | <u>CY 16</u>        | <u>CY 17</u>        |
|--|---------------------|---------------------|
| Transit Operating Aids (DIN 5103)      | \$2,222,400         | \$2,259,100         |
| Supplemental Transit Expansion Program | <u>16,177,600</u>   | <u>16,177,600</u>   |
| <b>TOTAL</b>                           | <b>\$18,400,000</b> | <b>\$18,436,700</b> |

Transit operating aids are paid on a calendar year basis. The relationship between the calendar year aid distributions and fiscal year appropriations means that a fiscal year appropriation provides funding for three-fourths of the previous calendar year amount and one-fourth of the current calendar year amount. For example, FY 17 = (¾ of CY 16) + (¼ of CY 17).

**JUSTIFICATION:**

Over the past ten years, the percentage of transit operating costs covered by state aids has declined from 39.2% in 2004 to 34.3% in 2014. Combined with limited revenue raising ability for local governments, the reduction in state transit aids has resulted in service reductions and fare increases for many transit systems. In addition, the 2011-13 biennial budget decreased funding for public transit by 10 percent, or \$11.8 million. This decrease was partially mitigated by the addition of \$2.5 million for paratransit on fixed route bus systems, resulting in an overall decrease of \$9.3 million. Between 2011 and 2012, total transit revenue hours declined by 2.6 percent or 99,851 hours. This lower level of service led to a 2.2 percent decline in overall ridership between the two year period.

During its review of transit related issues, the Transportation Finance and Policy Commission was informed by public officials, transit agencies and associations, and transit riders that the cuts made to public transit funding in the 2011-13 biennium led to reduced transit service in their communities. In combination with reduced shared revenue payments, tax levy limits, repeal of the statutory authority to create Regional Transit Authorities, and the lack of a dedicated source of local funding for public transit, some transit systems cut services and increased fares, eliminating services to some populations entirely. The services reductions make it more difficult for persons to access employment and retail opportunities within their communities.

As stated earlier, STEP is focusing on three primary goals: increasing transit availability and ridership; establishing a meaningful connection to employment centers; and encouraging economic development within the community. Each proposal for STEP funding will be evaluated by the Department based on various factors, such as increases in the number of persons being provided public transit access by the proposed route or service, net gains in overall system ridership, and the number of connections the new services may have to jobs within the community.

A continuing appropriation is necessary for STEP because state aid is based on the budgeted operating costs to implement the new services. Similar to the transit operating assistance provided to transit systems under s. 85.20, Wis. Stat., the Department will not be able to determine actual costs incurred for STEP until the calendar year has ended. The continuing appropriation will provide the Department with the necessary flexibility to ensure all program funds are distributed to eligible systems after actual costs are determined.

STEP is focused on fostering economic development by making transit services more widely available to communities. STEP will provide additional aid to assist local communities in establishing vital links for persons who use transit services to access jobs, education, health care services, family and friends, shopping and culture.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5105

**TOPIC:** Supplemental Transit Expansion Program

**DESCRIPTION OF CHANGE:**

The Department requests the following statutory modifications:

- a. Create a Supplemental Transit Expansion Program in Ch. 85, Wisconsin Statutes, as follows:
  - Provide the Department with the authority to develop and create a supplemental transit expansion program;
  - Establish program administrative responsibilities similar to those listed in s.85.20 (3), Wis. Stats.;
  - Specify that the aid amount in CY 16 is \$16,177,600 and \$16,177,600 in CY 17 and thereafter; and
  - Specify that the Department may award funds for up to 80 percent of the operating deficit as defined in s. 85.20 (1)(f), Wis. Stats.
- b. Create a continuing GPR appropriation in s. 20.395(2), Wis. Stats., for purposes of funding the Supplemental Transit Expansion Program.

**JUSTIFICATION:**

Between 2009 and 2013, the total number of revenue hours for transit systems in Wisconsin declined 2.8 percent, from 3,824,273 in 2009 to 3,717,387 in 2013. In response, the total number of transit trips taken declined 3.6 percent from 75,464,384 in 2009 to 72,775,046 in 2013. It is estimated that approximately 54 percent of Wisconsin's residents have access to public transportation. Out of the total number of trips provided, approximately 48 percent of transit trips are work related. Transit services are an important link to the state's employers and workers to get members of the community to and from their jobs.

Recognizing the impact of the funding cuts to transit services in its final report, "Keep Wisconsin Moving", the Transportation Finance and Policy Commission recommended restoration of the annual \$9.3 million cut to public transit implemented as part of the 2011-13 biennial budget and restoration of an additional \$9.5 million annually to bring transit tier funding back to historic levels. Overall, the Commission recommended an \$18.4 million annual investment in state operating aids for transit services.

During its review of transit related issues, the Transportation Finance and Policy Commission, was informed by public officials, transit agencies and associations, and transit riders that the cuts made to public transit funding in the 2011-13 biennium led to reduced transit service in their communities. In combination with reduced shared revenue payments, tax levy limits, repeal of the statutory authority to create Regional Transit Authorities, and the lack of a dedicated source of local funding for public transit, some transit systems cut services and increased fares, eliminating services to some populations entirely.

The Transit Ridership Increases Program will provide additional aid to assist local communities in re-establishing vital links for persons who use transit services to access jobs, education, health care services, family and friends, shopping and culture.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 02 TRANSIT AIDS  
NA 169 TRANSPORTATION EMPLOYMENT AND MOBILITY, STATE  
ALPH BS TRANSPORTATION EMPLOYMENT AND MOBILITY, STATE  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |            |
|-------------------|------------------|------------------|---------------|------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 10                | LOCAL ASSISTANCE | 332,600.00       | 332,600.00    | 665,200.00 |
| 17                | TOTAL COST       | 332,600.00       | 332,600.00    | 665,200.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 02 TRANSIT AIDS  
NA 172 TRANSIT & OTHER TRANSPR.-RELATED AIDS, LOCAL FDS  
ALPH BV TRANSIT & OTHER TRANSPR.-RELATED AIDS, LOCAL FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                     | CHANGE AUTHOR 1A |               |            |
|-------------------|---------------------|------------------|---------------|------------|
|                   |                     | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 06                | SUPPLIES & SERVICES | 110,000.00       | 110,000.00    | 220,000.00 |
| 17                | TOTAL COST          | 110,000.00       | 110,000.00    | 220,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 02 TRANSIT AIDS  
NA 182 TRANSIT & OTHER TRANSPR.-RELATED AIDS, FEDERAL FDS  
ALPH BX TRANSIT & OTHER TRANSPR.-RELATED AIDS, FEDERAL FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                     | CHANGE AUTHOR 1A |               |               |
|-------------------|---------------------|------------------|---------------|---------------|
| EXPENDITURE ITEMS |                     | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 06                | SUPPLIES & SERVICES | 125,000.00       | 125,000.00    | 250,000.00    |
| 10                | LOCAL ASSISTANCE    | 37,875,000.00    | 37,875,000.00 | 75,750,000.00 |
| 17                | TOTAL COST          | 38,000,000.00    | 38,000,000.00 | 76,000,000.00 |

**DIN 6001: FEDERAL FUNDS REESTIMATES**

|                 |                   |                |                    |                     |                |
|-----------------|-------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 01       | SUBPROGRAM: 02 | APPROPRIATION: 182 | DECISION ITEM: 6001 |                |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 10              | LOCAL ASSISTANCE  |                | 17,769,800.00-     | 17,769,800.00-      | 35,539,600.00- |
| 17              | TOTAL COST        |                | 17,769,800.00-     | 17,769,800.00-      | 35,539,600.00- |

**See Decision Item 6001-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 03 ELDERLY AND DISABLED AIDS  
NA 120 TRIBAL ELDERLY TRANSPORTATION GRANTS  
ALPH CK TRIBAL ELDERLY TRANSPORTATION GRANTS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                            | CHANGE AUTHOR 1A | 2ND YEAR COST | TOTAL      |
|-------------------|----------------------------|------------------|---------------|------------|
| 09                | AIDS TO INDIVIDUALS & ORGS | 247,500.00       | 247,500.00    | 495,000.00 |
| 17                | TOTAL COST                 | 247,500.00       | 247,500.00    | 495,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 03 ELDERLY AND DISABLED AIDS  
NA 167 ELDERLY AND DISABLED CAPITAL AIDS, STATE FUNDS  
ALPH CQ ELDERLY AND DISABLED CAPITAL AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS              | CHANGE AUTHOR 1A<br>1ST YEAR COST | 2ND YEAR COST | TOTAL         |
|--------------------------------|-----------------------------------|---------------|---------------|
| 09 AIDS TO INDIVIDUALS & ORGS  | 3,018,200.00                      | 3,018,200.00  | 6,036,400.00  |
| 15 MAJOR COSTS CHARGES/CREDITS | 2,105,500.00-                     | 2,105,500.00- | 4,211,000.00- |
| 17 TOTAL COST                  | 912,700.00                        | 912,700.00    | 1,825,400.00  |

**DIN 6001: FEDERAL FUNDS REESTIMATES**

|                   |                             |                |                    |                     |               |
|-------------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 01                 | SUBPROGRAM: 03 | APPROPRIATION: 167 | DECISION ITEM: 6001 |               |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 09                | AIDS TO INDIVIDUALS & ORGS  |                | 2,355,800.00       | 2,355,800.00        | 4,711,600.00  |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 2,355,800.00-      | 2,355,800.00-       | 4,711,600.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00           |

**See Decision Item 6001-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 03 ELDERLY AND DISABLED AIDS  
NA 168 ELDERLY AND DISABLED COUNTY AIDS, STATE FUNDS  
ALPH CR ELDERLY AND DISABLED COUNTY AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               | TOTAL         |
|-------------------|------------------|------------------|---------------|---------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST |               |
| 10                | LOCAL ASSISTANCE | 13,623,400.00    | 13,623,400.00 | 27,246,800.00 |
| 17                | TOTAL COST       | 13,623,400.00    | 13,623,400.00 | 27,246,800.00 |

## **DIN 5102: INFLATION FOR ELDERLY AND DISABLED COUNTY AIDS**

|                   |                  |                |                    |                     |            |
|-------------------|------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 01      | SUBPROGRAM: 03 | APPROPRIATION: 168 | DECISION ITEM: 5102 |            |
| EXPENDITURE ITEMS |                  |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 10                | LOCAL ASSISTANCE |                | 145,400.00         | 292,200.00          | 437,600.00 |
| 17                | TOTAL COST       |                | 145,400.00         | 292,200.00          | 437,600.00 |

**SUMMARY:** The Department requests \$145,400 SEG in FY 16 and \$292,200 SEG in FY 17 in Appropriation 168, s. 20.395(1)(cr), Wis. Stats., for elderly and disabled transportation aids to counties. This request provides total program funding of \$13,768,800 in FY 16 and \$13,915,600 in FY 17 for the county aids program.

### **DISCUSSION:**

The Department administers two programs that provide operating and capital assistance for specialized transportation services for elderly and disabled residents: the County Aid Program and the Capital Assistance Program. Both programs seek to support the continued mobility of these growing segments of the population by assisting in providing transportation services for those requiring special assistance.

The County Aid Program distributes aid to each of Wisconsin's 72 counties based on their estimated share of the state's elderly and disabled population. Regardless of population, each county is guaranteed a minimum 0.5% of the appropriation and allocations may not be reduced below 1992 levels. Counties, which are required to provide a matching share of funding equal to 20% of state aid, may use this aid to directly provide transportation services, subsidize services by other providers, or directly subsidize the elderly and persons with disabilities for their costs in using such services. At a time when the state's population of elderly and disabled residents, many of whom do not have access to personal vehicles, is growing, these services and the state funding for these services are crucial.

The Capital Assistance Program is administered in conjunction with federal program funds to provide vehicles to private, non-profit organizations and, under certain circumstances, local public bodies through a competitive application process. State and federal funds provide 80% of the vehicle cost, while the organization receiving the grant provides the remaining 20%.

The Department's request represents increases of 1.0% in FY 16 and FY 17 for the combined program amounts. However, the Department requests that the entire combined program increase be allocated to the County Aid Program as has been done in past budgets. The requested funding increase for elderly and disabled transportation aids recognizes the large unmet needs of this program in serving one of the fastest growing demographics of the state's population. In addition to the increasing numbers of elderly and disabled Wisconsin residents, these groups are among the least likely to have access to other forms of transportation.

**Department of Transportation**  
**2015-2017 Biennial Budget Request**  
**STATUTORY MODIFICATIONS**

**DIN:** 5102

**TOPIC:** Capital Assistance Program for Specialized Transportation

**DESCRIPTION OF CHANGE:**

The Department requests that section 85.22, Wis.Stats., be amended as follows:

- a. In all places the word “elderly” is used, replace it with the word “senior”;
- b. In sub. (1), delete the word “capital”;
- c. In sub. (2)(am), delete all text after “49 USC 5310” and subs. (2)(am)1., and 2.;
- d. In sub. (2)(b), replace the age “55” with “65”;
- e. In sub. (3)(a), delete the word “annually”;
- f. In sub. (3)(g), delete the word “annual”;
- g. In sub. (3)(h), delete the reference to sub. 2.b.;
- h. In sub. (4)(a), amend as follows:  
“Commencing with the highest ranked application and to the extent that state and federal moneys are available, the department shall offer to each eligible applicant an amount of state and/or federal aid such that the sum of federal and state aid received by an applicant does not exceed any of the following: the funding limitations defined in 49 USC 5310.”; and
- i. Delete subs. (4)(a)1. and 2. and (4)(b).

**JUSTIFICATION:**

The requested statutory modifications reflect changes made to 49 USC 5310 in the most recent surface transportation reauthorization bill, the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21, PL 112-141). Historically, federal section 5310 funding was limited to use on capital projects and s. 85.22, Wis. Stats., was constructed to be consistent with the federal program. However, in addition to minor terminology changes and changing the eligible age from 55 to 65, significant programmatic changes were made to the federal program. Portions of several previous federal programs were consolidated while other activities were removed. Further, the eligible use of funding was expanded to include operating costs as well as capital costs. In addition to amending state statute to reflect the changes to the referenced federal statute, this will allow the Department to optimally use the federal Enhanced Mobility of Seniors and Individuals with Disabilities program for the provision of transportation service to the state’s senior and disabled residents.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 03 ELDERLY AND DISABLED AIDS  
NA 173 ELDERLY AND DISABLED AIDS, LOCAL FUNDS  
ALPH CV ELDERLY AND DISABLED AIDS, LOCAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 605,500.00       | 605,500.00    | 1,211,000.00 |
| 17                | TOTAL COST                  | 605,500.00       | 605,500.00    | 1,211,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 03 ELDERLY AND DISABLED AIDS  
NA 183 ELDERLY AND DISABLED AIDS, FEDERAL FUNDS  
ALPH CX ELDERLY AND DISABLED AIDS, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 1,500,000.00     | 1,500,000.00  | 3,000,000.00 |
| 17                | TOTAL COST                  | 1,500,000.00     | 1,500,000.00  | 3,000,000.00 |

**DIN 6001: FEDERAL FUNDS REESTIMATES**

|                 |                             |                |                    |                     |              |
|-----------------|-----------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395 | PROGRAM: 01                 | SUBPROGRAM: 03 | APPROPRIATION: 183 | DECISION ITEM: 6001 |              |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 2,355,800.00       | 2,355,800.00        | 4,711,600.00 |
| 17              | TOTAL COST                  |                | 2,355,800.00       | 2,355,800.00        | 4,711,600.00 |

**See Decision Item 6001-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 05 HIGHWAY SAFETY AIDS  
NA 185 HIGHWAY SAFETY, LOCAL ASSISTANCE, FEDERAL FUNDS  
ALPH EX HIGHWAY SAFETY, LOCAL ASSISTANCE, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |              |
|-------------------|------------------|------------------|---------------|--------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 10                | LOCAL ASSISTANCE | 1,700,000.00     | 1,700,000.00  | 3,400,000.00 |
| 17                | TOTAL COST       | 1,700,000.00     | 1,700,000.00  | 3,400,000.00 |

**DIN 6001: FEDERAL FUNDS REESTIMATES**

|                   |                  |                |                    |                     |               |
|-------------------|------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 01      | SUBPROGRAM: 05 | APPROPRIATION: 185 | DECISION ITEM: 6001 |               |
| EXPENDITURE ITEMS |                  |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 10                | LOCAL ASSISTANCE |                | 5,418,100.00       | 5,418,100.00        | 10,836,200.00 |
| 17                | TOTAL COST       |                | 5,418,100.00       | 5,418,100.00        | 10,836,200.00 |

**See Decision Item 6001-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 06 SPECIAL HIGHWAY AIDS  
NA 162 CONNECTING HIGHWAYS AIDS, STATE FUNDS  
ALPH FQ CONNECTING HIGHWAYS AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |               |
|-------------------|------------------|------------------|---------------|---------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 10                | LOCAL ASSISTANCE | 12,063,500.00    | 12,063,500.00 | 24,127,000.00 |
| 17                | TOTAL COST       | 12,063,500.00    | 12,063,500.00 | 24,127,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 06 SPECIAL HIGHWAY AIDS  
NA 164 LIFT BRIDGE AIDS, STATE FUNDS  
ALPH FT LIFT BRIDGE AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |              |
|-------------------|------------------|------------------|---------------|--------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 10                | LOCAL ASSISTANCE | 2,659,200.00     | 2,659,200.00  | 5,318,400.00 |
| 17                | TOTAL COST       | 2,659,200.00     | 2,659,200.00  | 5,318,400.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 06 SPECIAL HIGHWAY AIDS  
NA 170 COUNTY FOREST ROAD AIDS, STATE FUNDS  
ALPH FU COUNTY FOREST ROAD AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |            |
|-------------------|------------------|------------------|---------------|------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 10                | LOCAL ASSISTANCE | 284,700.00       | 284,700.00    | 569,400.00 |
| 17                | TOTAL COST       | 284,700.00       | 284,700.00    | 569,400.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 06 SPECIAL HIGHWAY AIDS  
NA 174 DISASTER DAMAGE AIDS, STATE FUNDS  
ALPH FS DISASTER DAMAGE AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |              |
|-------------------|------------------|------------------|---------------|--------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 10                | LOCAL ASSISTANCE | 1,000,000.00     | 1,000,000.00  | 2,000,000.00 |
| 17                | TOTAL COST       | 1,000,000.00     | 1,000,000.00  | 2,000,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 07 MISCELLANEOUS LOCAL AIDS  
NA 161 EXPRESSWAY POLICING AIDS, STATE FUNDS  
ALPH GQ EXPRESSWAY POLICING AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |              |
|-------------------|------------------|------------------|---------------|--------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 10                | LOCAL ASSISTANCE | 1,023,900.00     | 1,023,900.00  | 2,047,800.00 |
| 17                | TOTAL COST       | 1,023,900.00     | 1,023,900.00  | 2,047,800.00 |

## DIN 5103: TRANSIT PROGRAM AND FUNDING

|                   |                  |                |                    |                     |                |
|-------------------|------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 01      | SUBPROGRAM: 08 | APPROPRIATION: 110 | DECISION ITEM: 5103 |                |
| EXPENDITURE ITEMS |                  |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 10                | LOCAL ASSISTANCE |                | 64,514,900.00      | 65,805,300.00       | 130,320,200.00 |
| 17                | TOTAL COST       |                | 64,514,900.00      | 65,805,300.00       | 130,320,200.00 |

**SUMMARY:** The Department requests the creation of five new continuing GPR appropriations in s. 20.395(1), Wisconsin Statutes, for Tier A-1 transit operating aids, Tier A-2 transit operating aids, Tier A-3 transit operating aids, Tier B transit operating aids, and Tier C transit operating aids, respectively. The Department requests funding levels in the new appropriations of \$64,514,900 in FY 16 and \$65,805,300 in FY 17 for Tier A-1, \$16,952,400 in FY 16 and \$17,291,500 in FY 17 for Tier A-2, \$0 in each year for Tier A-3, \$24,609,100 in FY 16 and \$25,101,300 in FY 17 for Tier B, and \$5,597,900 in FY 16 and \$5,707,900 in FY 17 for Tier C. The Department further requests that the current appropriations, s. 20.395(1)(hr), (hs), (ht), (hu), and (hw), Wis. Stats., be sunset at the end of FY 19.

**DISCUSSION:** Wisconsin is served by 81 public transit systems which serve a wide range of areas including, large urban, county-wide, multi-county, tribal, small and medium urban, and rural. These systems provide about 75 million rides each year to and from jobs, school, shopping, tourism, recreation, and medical and health care and are crucial to the state's overall transportation network and the mobility of Wisconsin residents.

Over the past ten years, state funding for transit operating aids has not kept pace with inflation nor the growth of transit demand. The percentage of operating costs covered by state aids has declined from 39.2 percent in 2004 to 34.3 percent in 2014. That, combined with limited revenue raising ability for local governments, has resulted in service reductions and increased fares for many systems. Without service reductions and fare increases, the decline in the percentage of operating costs covered by state aids would have been even greater. The amounts requested reflect transferring current amounts from existing appropriations to the new appropriations, fully funding CY 2015 aids, and a two percent increase in each Tier.

The purpose for transit operating aids in Wisconsin is defined in section 85.20(2), Wis. Stats., in part to promote the general public good. While this statutory purpose was defined years ago, it has never been more evident than today. With changing demographics, lifestyles, and societal influences, transit services play a vital role serving the general public good – connecting citizens to jobs, commercial districts, education centers, and health services. Therefore, it would be seem that funding for state aids serving the general public good should come from general public revenues.

In addition, transit services do not provide any revenues to the state's Transportation Fund. User fares go toward the costs of the service and the systems themselves pay no state Transportation Fund revenues. Funding transit services with Transportation Revenues, therefore, directs fees paid by users of other modes of transportation to a service serving the general public good. Funding transit operating aids from the state's general fund, rather than the Transportation Fund, would further strengthen the concept of and relationship between user fee revenues and investments in transportation infrastructure.

**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Transit Operating Aids

**DIN:** 5103

**ISSUE TITLE:** Transit Program and Funding

**REQUEST:**

The Department requests the creation of five new continuing GPR appropriations in s. 20.395(1), Wisconsin Statutes, for Tier A-1 transit operating aids, Tier A-2 transit operating aids, Tier A-3 transit operating aids, Tier B transit operating aids, and Tier C transit operating aids, respectively. The Department requests funding levels in the new appropriations of \$64,514,900 in FY 16 and \$65,805,300 in FY 17 for Tier A-1, \$16,952,400 in FY 16 and \$17,291,500 in FY 17 for Tier A-2, \$0 in each year for Tier A-3, \$24,609,100 in FY 16 and \$25,101,300 in FY 17 for Tier B, and \$5,597,900 in FY 16 and \$5,707,900 in FY 17 for Tier C. The Department further requests that the current appropriations, s. 20.395(1)(hr), (hs), (ht), (hu), and (hw), Wis. Stats., be sunset at the end of FY 19.

**SUMMARY:**

Wisconsin is served by 81 public transit systems which serve a wide range of areas including, large urban, county-wide, multi-county, tribal, small and medium urban, and rural communities. These systems provide nearly 75 million rides each year to and from jobs, school, shopping, tourism, recreation, and medical and health care and are crucial to the state's overall transportation network, its economy and the mobility of its residents.

While public transit accounts for a very small percentage of the number of trips on the State's transportation network, it is the only means of travel for many residents. Public transit service is an economic and mobility necessity in many urban and rural areas of the state as the number of non-driving and elderly and disabled residents continues to increase. Recognizing the statewide impact of transit services, the Department is requesting the funding transfer of the State's Transit Operating Aids program from the Transportation Fund to the General Fund.

The State provides operating assistance to public transit systems to promote the general public good by preserving and improving mass transit systems and encouraging their efficient and effective operation. In doing so, a tier system was developed to differentiate between systems of various sizes. Tier A-1 is the Milwaukee County Transit System, Tier A-2 is the Madison Metro transit system, Tier A-3 includes commuter and light rail transit systems (currently not used), Tier B includes transit systems in urban areas with populations greater than 50,000 that are not in Tiers A-1 or A-2, and Tier C includes systems in small urban and rural areas with populations between 2,500 and 50,000.

Transit operating aids are paid on a calendar year basis. The relationship between the calendar year aid distributions and fiscal year appropriations means that a fiscal year appropriation provides funding for three-fourths of the previous calendar year amount and one-fourth of the current calendar year amount. For example, FY 16 = ( $\frac{3}{4}$  of CY 15) + ( $\frac{1}{4}$  of CY 16). Due to the relational difference between calendar year aid and fiscal year appropriation, the Department is requesting a total of \$3,194,300 in FY 2016 to fully fund all tiers at the CY 2015 aid levels established in the 2013-15 biennial budget.

Within each Tier (other than Tiers A-1 and A-2 which currently have just one system each), state statutes require that each system receives a funding allocation at a uniform percentage of estimated operating costs for the year. For example, in CY 2014, the combination of state and federal operating aids to each system in Tier C covered approximately 58.59 percent of each system's estimated operating costs. Due to service expansions within Tier C, the Department is requesting \$97,200 in FY 2016 and \$388,700 in FY 2017 to maintain the percent of each system's estimated operating costs covered by state and federal operating aids. The following four systems are to be added to Tier C:

- The Scenic Mississippi Region Transit (SMRT) system, a bus system connecting the communities of Prairie du Chien, Viroqua, Westby, and La Crosse;
- The Lac du Flambeau Tribal service which covers the Lac du Flambeau reservation and provides daily trips between the reservation and Minocqua/Woodruff;
- A new Tri-County Transit system providing service in Forest, Oneida, and Vilas Counties; and
- The expansion of the Walworth County elderly and disabled transportation service to the general public through a county-wide shared-ride taxi service.

Over the past ten years, state funding for transit operating aids has not kept pace with inflation. The percentage of operating costs covered by state aids has declined from 39.2% in 2004 to 34.3% in 2014. That, combined with limited revenue raising ability for local governments, has resulted in service reductions and increased fares for many systems. Without service reductions and fare increases, the decline in the percentage of operating costs covered by state aids would have been even greater. In order to offset further service reductions and fare increases, the Department is requesting a 2 percent increase in state transit operating aids for each tier.

The amounts requested reflect transferring current amounts from existing appropriations to the new appropriations, fully funding CY 2015 aids at levels established in the 2013-15 biennial budget, providing additional funding to accommodate new Tier C systems, and a two percent increase in each tier as illustrated in Table 1.

**Table 1  
Transit Funding Modifications Over Base**

|          | FY 16                  |                    |                     | FY 17                  |                    |                     |
|----------|------------------------|--------------------|---------------------|------------------------|--------------------|---------------------|
|          | <u>Fund CY</u><br>2015 | <u>2% Increase</u> | <u>New Systems*</u> | <u>Fund CY</u><br>2015 | <u>2% Increase</u> | <u>New Systems*</u> |
| Tier A-1 | 1,851,700              | 2,172,700          | 0                   | 1,851,700              | 3,463,100          | 0                   |
| Tier A-2 | 486,600                | 571,000            | 0                   | 486,600                | 910,100            | 0                   |
| Tier B   | 706,300                | 828,700            | 0                   | 706,300                | 1,320,900          | 0                   |
| Tier C   | 149,700                | 175,700            | 97,200              | 149,700                | 280,000            | 388,700             |

\*The amounts requested represent what is needed to maintain current relative funding levels in Tier C while adding four new systems to the Tier.

**JUSTIFICATION:**

The purpose for transit operating aids in Wisconsin is defined in section 85.20(2), Wis. Stats., in part to promote the general public good. While this statutory purpose was defined years ago, it has never been more evident than today. With changing demographics, lifestyles, and societal influences, transit services have grown beyond transportation and mobility to truly serving the general public good – jobs, economic development, education, commerce, and health. Therefore, it would be seem that funding for state aids serving the general public good should come from general public revenues.

Transit services do not however provide any revenues to the state's Transportation Fund. User fares go toward the costs of the service and the systems themselves pay few state Transportation Fund revenues. Funding transit services with Transportation Revenues, therefore, directs fees paid by users of other modes of transportation to a service serving the general public good. Funding transit operating aids from the state's general fund, rather than the Transportation Fund, would further strengthen the concept of and relationship between user fee revenues and investments in transportation infrastructure

Farebox revenues are not sufficient to support public transit service in Wisconsin. State operating assistance is provided to all public transit systems to subsidize the continuation, and expansion where appropriate, of adequate services. While federal aids and local tax dollars are also provided, state transit aid is the largest source of funding for operating costs of Wisconsin's public transit systems.

As stated earlier, transit operating aids are paid based on a calendar year basis. The relationship between the calendar year aid distributions and fiscal year appropriations means that a fiscal year appropriation provides funding for three-fourths of the previous calendar year amount and one-fourth of the current calendar year amount. Without the requested additional funds to fully-fund CY 2015, all systems would face funding shortfalls in their level of CY 2015 services, since the State's FY 2015 begins halfway through each system's CY 2015 operations.

Within Tier C, the Department is expecting four new services to begin operations during the 2015-17 biennium. Two of the new systems will be transitioning from federal funding sources which have been eliminated. The other two systems include a new transit service and an expansion of a current county-wide elderly and disabled transportation service to general public service. Due to the statutory requirement that aids cover a uniform percentage of operating expenses for each system in the Tier, if the requested increases are not provided, all systems in Tier C will face funding reductions when the four systems are added.

Due to the reductions implemented in the 2011-13 biennium, Wisconsin's transit systems have had to reduce service hours and routes. Public transit is crucial to building global competitiveness and in attracting and retaining businesses and employee talent. Without additional operating aids, the State will continue to experience reductions in services hours and increased fares for transit services.

A continuing appropriation is necessary for the Transit Operating Aids program because state aid is based on the system's budgeted operating costs. The Department is not able to determine actual costs incurred until the calendar year has ended. The continuing appropriation will provide the Department with the necessary flexibility to ensure all program funds are distributed to eligible systems after actual costs are determined.

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5103

**TOPIC:** Transit Program and Funding

**DESCRIPTION OF CHANGE:**

The Department requests the following statutory modifications:

- j. Create five continuing GPR appropriations in s. 20.395(1), Wis. Stats. for, respectively:
  - 1. Tier A-1 transit operating aids, state funds;
  - 2. Tier A-2 transit operating aids, state funds;
  - 3. Tier A-3 transit operating aids, state funds;
  - 4. Tier B transit operating aids, state funds; and
  - 5. Tier C transit operating aids, state funds.
- k. Sunset the following appropriations in FY 19:
  - 1. Appropriation 193, s. 20.395(1)(ht), Wis. Stats.;
  - 2. Appropriation 194, s. 20.395(1)(hu), Wis. Stats.;
  - 3. Appropriation 195, s. 20.395(1)(hw), Wis. Stats.;
  - 4. Appropriation 176, s. 20.395(1)(hr), Wis. Stats.; and
  - 5. Appropriation 177, s. 20.395(1)(hs), Wis. Stats.
- l. Amend s. 85.20(4m)(a)6.cm., Wis. Stats., as follows:
  - 1. Replace the reference to the appropriation under s. 20.395(1)(ht), Wis. Stats., with the appropriation created under a.1. above;
  - 2. Delete reference to aid payable for calendar years 2012 to 2014; and
  - 3. Specify that the aid amount in CY 16 is \$65,477,800 and \$66,787,400 in CY 17 and thereafter.
- m. Amend s. 85.20(4m)(a)6.d., Wis. Stats., as follows:
  - 1. Replace the reference to the appropriation under s. 20.395(1)(hu), Wis. Stats., with the appropriation created under a.2. above;
  - 2. Delete reference to aid payable for calendar years 2012 to 2014; and
  - 3. Specify that the aid amount in CY 16 is \$17,205,400 and \$17,549,500 in CY 17 and thereafter.
- n. Amend s. 85.20(4m)(a)6.e., Wis. Stats., by replacing the reference to the appropriation under s. 20.395(1)(hw), Wis. Stats., with the appropriation created under a.3. above.
- o. Amend s. 85.20(4m)(a)7.a., Wis. Stats., by replacing the reference to the appropriation under s.20.395(1)(hr), Wis. Stats., with the appropriation created under a.4. above.
- p. Amend s. 85.20(4m)(a)7.b., Wis. Stats., as follows:
  - 1. Delete reference to aid payable for calendar years 2012 to 2014; and
  - 2. Specify that the aid amount in CY 16 is \$24,976,400 and \$25,475,900 in CY 17 and thereafter.
- q. Amend s. 85.20(4m)(a)8.a., Wis. Stats., by replacing the reference to the appropriation under s. 20.395(1)(hs), Wis. Stats., with the appropriation created under a.5. above.
- r. Amend s. 85.20(4m)(a)8.b., Wis. Stats., as follows:
  - 1. Delete reference to aid payable for calendar years 2012 to 2014; and
  - 2. Specify that the aid amount in CY 16 is \$5,681,400 and \$5,787,300 in CY 17 and thereafter.

**JUSTIFICATION:**

Wisconsin is served by 81 public transit systems which serve a wide range of areas including, large urban, county-wide, multi-county, tribal, small and medium urban, and rural. These systems provide about 75 million rides each year to and from jobs, school, shopping, tourism, recreation, and medical and health care and are crucial to the state's overall transportation network and the mobility of Wisconsin residents.

The purpose for transit operating aids in Wisconsin is defined in section 85.20(2), Wis. Stats., in part to promote the general public good. While this statutory purpose was defined years ago, it has never been more evident than today. With changing demographics, lifestyles, and societal influences, transit services play a vital role in serving the general public good – connecting citizens to jobs, commercial districts, education centers, and health services. Therefore, it would be seen that funding for state aids serving the general public good should come from general public revenues.

In addition, transit services do not provide any revenues to the state's Transportation Fund. User fares go toward the costs of the service and the systems themselves pay no state Transportation Fund revenues. Funding transit services with transportation revenues, therefore, directs fees paid by users of other modes of transportation to a service serving the general public good. Funding transit operating aids from the state's general fund, rather than the Transportation Fund, would further strengthen the concept of and relationship between user fee revenues and investments in transportation infrastructure.

**DIN 5103: TRANSIT PROGRAM AND FUNDING**

|                 |                   |                |                    |                     |               |
|-----------------|-------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 01       | SUBPROGRAM: 08 | APPROPRIATION: 111 | DECISION ITEM: 5103 |               |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 10              | LOCAL ASSISTANCE  |                | 16,952,400.00      | 17,291,500.00       | 34,243,900.00 |
| 17              | TOTAL COST        |                | 16,952,400.00      | 17,291,500.00       | 34,243,900.00 |

**See Decision Item 5103-Appropriation 110 for an explanation.**

**DIN 5103: TRANSIT PROGRAM AND FUNDING**

|                 |                   |                |                    |                     |               |
|-----------------|-------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 01       | SUBPROGRAM: 08 | APPROPRIATION: 113 | DECISION ITEM: 5103 |               |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 10              | LOCAL ASSISTANCE  |                | 24,609,100.00      | 25,101,300.00       | 49,710,400.00 |
| 17              | TOTAL COST        |                | 24,609,100.00      | 25,101,300.00       | 49,710,400.00 |

**See Decision Item 5103-Appropriation 110 for an explanation.**

**DIN 5103: TRANSIT PROGRAM AND FUNDING**

|                 |                   |                |                    |                     |               |
|-----------------|-------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 01       | SUBPROGRAM: 08 | APPROPRIATION: 114 | DECISION ITEM: 5103 |               |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 10              | LOCAL ASSISTANCE  |                | 5,597,900.00       | 5,707,900.00        | 11,305,800.00 |
| 17              | TOTAL COST        |                | 5,597,900.00       | 5,707,900.00        | 11,305,800.00 |

**See Decision Item 5103-Appropriation 110 for an explanation.**

## **DIN 5104: TRANSIT CAPITAL ASSISTANCE PROGRAM**

|                   |                  |                |                    |                     |               |
|-------------------|------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 01      | SUBPROGRAM: 08 | APPROPRIATION: 115 | DECISION ITEM: 5104 |               |
| EXPENDITURE ITEMS |                  |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 10                | LOCAL ASSISTANCE |                | 15,000,000.00      | 15,000,000.00       | 30,000,000.00 |
| 17                | TOTAL COST       |                | 15,000,000.00      | 15,000,000.00       | 30,000,000.00 |

**SUMMARY:** The Department requests the creation of a new state transit capital assistance program. The Department also requests the creation of new continuing GPR appropriation in section 20.395, Wis. Stats., to provide funding for the program. The Department requests \$15,000,000 GPR in FY 16 and FY 17 in the new appropriation.

In addition, the Department requests \$30,000,000 General Obligation (GO) bonding authority in a new sum sufficient appropriation in section 20.866(2), Wis. Stats., for the Transit Compressed Natural Gas (CNG) Fueling Stations program.

**DISCUSSION:** Public transit systems have regular capital costs for the acquisition of tangible property such as vehicles, equipment, or facilities. An aging fleet presents greater safety risks and drives up operating expenses as older vehicles are more likely to malfunction and require more time and resources to be maintained to acceptable standards. Aging support equipment such as radios, security cameras, bus washes, and vehicle lifts is more costly to maintain and is often less effective than newer equipment.

In Wisconsin, the total reported capital need for vehicle, equipment, and facility projects among urban and rural transit systems is typically over \$50 million annually. While the state-supported operating assistance program is relatively robust, Wisconsin has no capital assistance program for public transit systems. Currently, capital aid is provided through federal and local sources, leaving the Department with limited ability to address the condition and composition of the statewide vehicle fleet and associated equipment and facilities. Also, capital project prioritization and spending decisions are made locally and depend on the amount of federal and local dollars available.

Recognizing the need for safe, reliable, and efficient transit equipment and facilities, the state Transportation Finance and Policy Commission recommended establishing a state transit capital assistance program in their final report to the Governor and State Legislature. The Commission, established by 2011 Wisconsin Act 32, found that an adequate and consistent funding source is needed to allow transit systems to regularly replace buses and bus facilities and allow for some expansion. The Commission further recommended funding the state transit capital program at \$15 million annually.

Under the transit capital program, the Department would provide up to 80 percent of the cost for a capital purchase. In order to promote the purchase and use of alternative fuel and hybrid propulsion system vehicles, the Department is proposing to fund up to 100 percent of the cost difference between the purchase cost of an alternative fuel or hybrid vehicle and an equivalent diesel powered vehicle. Replacing vehicles and other assets that are past their useful life with newer models will yield cost savings and emission reductions due to increased operational efficiencies regardless of fuel type.

The Department is also requesting one-time GO bonding authority from the capital improvement fund for the Department to grant no more than \$3.5 million per station to eligible transit providers as defined in s.85.20, Wis. Stats., for the purpose of constructing CNG fueling stations for buses.

**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Transit Capital Assistance  
**DIN:** 5104  
**ISSUE TITLE:** Transit Capital Assistance Program

**REQUEST:**

The Department requests the creation of a new state transit capital assistance program and the creation of new continuing GPR appropriation in section 20.395, Wis. Stats., to provide funding for the program. The Department requests \$15,000,000 GPR in FY 16 and FY 17 in the new appropriation.

In addition, the Department requests \$30,000,000 General Obligation (GO) bonding authority in a new sum sufficient appropriation in section 20.866(2), Wis. Stats., for a Transit Compressed Natural Gas (CNG) Fueling Stations program.

**SUMMARY:**

Wisconsin's public transit systems are facing capital funding needs for buses, bus facilities, and support equipment of about \$50 million per year. Federal transit capital funding allocated to the state has significantly decreased while the demand on limited local government revenues has been stretched. The state's Transportation Finance and Policy Commission found that a state transit capital program is needed and that a funding level of \$15 million per year is appropriate. Achieving a state of good repair for the state's transit equipment is crucial to maintain safety, reduce fuel consumption, and avoid increasing maintenance and operating costs. The Department is requesting \$15,000,000 to supplement the capital needs of the State's transit systems.

Under the transit capital program, the Department would provide up to 80 percent of the cost for a capital purchase. To promote the purchase and use of alternative fuel or hybrid propulsion system vehicles, the Department is proposing to fund up to 100 percent of the cost difference between the purchase cost of an alternative fuel or hybrid vehicle and an equivalent diesel powered vehicle. Replacing vehicles that are past their useful life with newer models will yield cost savings and emission reductions due to increased operational efficiencies regardless of fuel type. Encouraging the transition of transit fleets to alternative fuels or hybrid-propulsion systems will provide systems with greater fuel efficiency and reduce greenhouse gas emissions.

In addition, the Department is requesting one-time Transportation Fund supported GO bonding authority to pay \$30 million from the capital improvement fund to grant up to \$3.5 million per station for eligible transit providers as defined in s.85.20, Wis. Stats., to construct compressed natural gas (CNG) fueling stations.

**JUSTIFICATION:**

Transit is a capital intensive industry. Vehicles are used to transport passengers and must be maintained and stored on a daily basis. To be able to provide quality service, transit agencies must have assets that are safe and that function properly. Vehicles can be used for multiple years but inevitably reach a point when it becomes cost prohibitive or unsafe to keep them in service. An aging fleet presents greater safety risks and drives up operating expenses as older vehicles are more likely to malfunction and require more time and resources than newer vehicles to be maintained to acceptable standards.

In addition, aging support equipment such as radios, security cameras, bus washes, and vehicle lifts are also more costly to maintain and are often less effective than newer equipment. Like other industries, transit has also benefited greatly from new and more advanced technology in scheduling software and vehicle tracking that allows for more efficient program administration and higher quality service. Likewise, transit facilities, such as transfer centers and vehicle maintenance and storage buildings, need to be maintained, renovated, or replaced.

### *Capital Program*

Public transit systems have regular capital costs for the acquisition of tangible property such as vehicles, equipment, and facilities. In Wisconsin, the total reported capital need for vehicle, equipment, and facility projects among urban and rural transit systems is typically over \$50 million annually. While the state-supported operating assistance program covers a portion of day-to-day operations, Wisconsin has no capital assistance program for public transit systems. Instead, limited capital aid is provided through federal and local sources, leaving the Department with limited ability to address the condition and composition of the statewide vehicle fleet and associated equipment and facilities. Also, capital project prioritization and spending decisions are made locally and depend on the amount of federal and local dollars available.

Federal transit capital funding has declined significantly with changes in programs at the federal level. Under the current surface transportation authorization act, Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21), federal capital funding for bus transit systems changed from a discretionary program to a formula-based program. Under the new program, Wisconsin is allocated approximately \$6 million per year. That amount is half of the approximately \$12 million per year received under the discretionary program, is significantly short of the \$50 million annual need to maintain a safe and efficient transit fleet.

Recognizing the need for safe, reliable, and efficient transit equipment and facilities, the state Transportation Finance and Policy Commission recommended establishing a state transit capital assistance program in their final report, "Keep Wisconsin Moving", to the Governor and State Legislature. The Commission, established by 2011 Wisconsin Act 32, found that an adequate and consistent funding source is needed to allow transit systems to regularly replace buses and bus facilities and allow for some expansion. The Commission further recommended funding the state transit capital program at \$15 million annually.

The capital assistance program would fund up to 80 percent of the capital cost associated with a project, similar to the federal capital program requirements.

As part of the capital program, the Department would also provide up to 100 percent of the cost differential between traditional-diesel powered vehicles and alternative fuel vehicles, such as diesel-electric hybrids or CNG powered buses. Vehicles utilizing alternative fuels or hybrid-propulsion systems have better fuel economy and emit fewer greenhouse gases than the older buses they replace. Traditionally, these vehicles cost \$50,000 to \$100,000 more than traditional diesel powered vehicles. However, due to fuel efficiencies, the cost differential may be recovered within eight to ten years of the vehicles operation.

### *CNG Initiative*

CNG is priced significantly less than conventional fuels on a per gallon basis and is predicated to remain lower in price than other conventional fuel sources. The cost of fueling a vehicle with CNG is approximately 20 to 40 percent less per gallon equivalent of diesel fuel. However, the fuel economy of diesel is approximately 20 percent greater than CNG propulsion systems. Consequently, more CNG fuel is necessary to provide the same level of propulsion.

Despite these performance limitations, a CNG fueled transit bus will return a net cost savings of approximately \$50,000 to \$80,000 over the vehicle's 12-year useful life. In addition, CNG burns cleaner than gasoline or diesel vehicles, producing 20 to 25 percent fewer greenhouse gas emissions, relative to conventional diesel fuel vehicles under normal usage.

CNG stations receive fuel through a local utility line at a pressure lower than that used for normal vehicle fueling (i.e., diesel or gas). The station compresses the gas to a higher pressure for vehicle fueling. The cost of developing a CNG fueling station depends on a number of factors, including the fuel demand from the fleet and other users, the fleet's applications and duty cycles, site conditions, the complexity of equipment installation, and permitting processes. Consequently, costs can vary from one project to another. In addition, transit bus fleet stations require special consideration because they must fuel a larger number of vehicles with high volumes of fuel within a short period of time. Therefore, transit fueling stations are typically more costly to construct.

It is estimated that the cost to construct a CNG fueling station would be between \$2 million and \$3.5 million. This upfront cost has served as an impediment to transit systems converting their fleets to a CNG fueling system. The Transportation Fund will pay the debt service on the bond proceeds.

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5104

**TOPIC:** Transit Capital Assistance Program

**DESCRIPTION OF CHANGE:**

The Department requests the following statutory modifications:

- s. Create a Transit Capital Assistance program in Ch. 85, Wisconsin Statutes, as follows:
  - a. Provide the Department with the authority to develop and create a transit capital assistance program;
  - b. Establish program administrative responsibilities similar to those listed in repealed section 85.11(6), Wis. Stats.;
  - c. Define eligible applicants as those listed under s.85.20, Wis. Stats.;
  - d. Define eligible activities under the program as those listed under 49 USC 5339 (a)(1) and (2);
  - e. State that no funds from the program may be awarded for enumerated major transit capital improvement projects defined under s. 85.062, Wis. Stats.;
  - f. Require that funds awarded under the program may be used for up to 80 percent of the total cost for which the funds are awarded; and
  - g. Allow funds awarded under the program for the purchase of an alternative fuel or hybrid-propulsion systems to be used for up to 100 percent of the cost difference between an alternative fuel or hybrid vehicle and an equivalent diesel powered vehicle.
- t. Create a continuing GPR appropriation in s. 20.395(1), Wis. Stats., for purposes of funding the Transit Capital Assistance Program.

**JUSTIFICATION:**

Public transit systems have regular capital costs for the acquisition of tangible property such as vehicles, equipment, or facilities. An aging fleet presents greater safety risks and drives up operating expenses as older vehicles are more likely to malfunction while being operated and require more time and resources than newer vehicles to be maintained to acceptable standards. Aging support equipment such as radios, security cameras, bus washes, and vehicle lifts are more costly to maintain and are often less effective than newer equipment.

In Wisconsin, the total reported capital need for vehicle, equipment, and facility projects among urban and rural transit systems is typically over \$50 million annually. While the state-supported operating assistance program is relatively robust, Wisconsin has no capital assistance program for public transit systems. Currently, capital aid is provided through federal and local sources, leaving the Department with limited ability to address the condition and composition of the statewide vehicle fleet and associated equipment and facilities. Also, capital project prioritization and spending decisions are made locally and depend on the amount of federal and local dollars available.

Recognizing the need for safe, reliable, and efficient transit equipment and facilities, the state Transportation Finance and Policy Commission recommended establishing a state transit capital assistance program in their final report to the Governor and State Legislature. The Commission, established by 2011 Wisconsin Act 32, found that an adequate and consistent funding source is needed to allow transit systems to regularly replace buses and bus facilities and allow for some expansion. The Commission further recommended funding the state transit capital program at \$15 million annually.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5104

**TOPIC:** Transit CNG Fueling Stations Program

**DESCRIPTION OF CHANGE:**

The Department requests the following statutory modifications:

- a. Create a Transit Compressed Natural Gas (CNG) Fueling Stations program in Ch. 85., Wisconsin Statutes, as follows:
  - Provide the Department with the authority to develop and create a Transit CNG Fueling Stations program;
  - Define eligible applicants as those listed under s.85.20, Wis. Stats.;
  - Define eligible activities under the program as being defined by the Department in administrative rule;
  - State that no funds from the program may be awarded for enumerated major transit capital improvement projects defined under s. 85.062, Wis. Stats.; and
  - Require that funds awarded under the program may be used for up to 100 percent of the total cost for which the funds are awarded but not to exceed \$3.5 million per project award.
- b. Create a sum sufficient appropriation from the capital improvement fund in s.20.866(2), Wis. Stats., for the purposes of providing a grant of no more than \$3.5 million per CNG station project to eligible transit providers as defined in s.85.20, for the purpose of building compressed natural gas refueling stations.
- c. Modify 20.395(6)(aq) to allow transit compressed natural gas fueling stations as an eligible use of general obligation bonding.
- d. Expand allowable debt service limit accordingly.

**JUSTIFICATION:**

Compressed Natural Gas (CNG) is priced significantly less than conventional fuels sources and is projected to remain lower in price than other conventional fuel sources. The cost of fueling a vehicle with CNG is approximately 20 to 40 percent less per gallon equivalent of diesel fuel. It is estimated that a CNG fueled transit bus will return a net cost savings of approximately \$50,000 to \$80,000 over the vehicle's 12-year life-cycle. In addition, CNG burns cleaner than gasoline or diesel vehicles, producing 20 to 25 percent fewer greenhouse gas emissions, relative to a conventional diesel fueled vehicle.

The cost of developing a CNG fueling station depends on a number of factors, including the fuel demand from the fleet and other users, the fleet's applications and duty cycles, site conditions, the complexity of the equipment installation, and permitting processes. It is estimated that the total cost to construct a CNG fueling station would be between \$2 million and \$3.5 million. This upfront cost has served as an impediment to the adoption of CNG as an alternative to conventional diesel buses by transit systems. The Transportation Fund will pay the debt service on these bond proceeds.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 08 TRANSIT OPERATING AIDS  
NA 175 PARATRANSIT AIDS, STATE FUNDS  
ALPH HQ PARATRANSIT AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |              |
|-------------------|------------------|------------------|---------------|--------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 10                | LOCAL ASSISTANCE | 2,750,000.00     | 2,750,000.00  | 5,500,000.00 |
| 17                | TOTAL COST       | 2,750,000.00     | 2,750,000.00  | 5,500,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 08 TRANSIT OPERATING AIDS  
NA 176 TIER B TRANSIT OPERATING AIDS, STATE FUNDS  
ALPH HR TIER B TRANSIT OPERATING AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |               |
|-------------------|------------------|------------------|---------------|---------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 10                | LOCAL ASSISTANCE | 23,780,400.00    | 23,780,400.00 | 47,560,800.00 |
| 17                | TOTAL COST       | 23,780,400.00    | 23,780,400.00 | 47,560,800.00 |

**DIN 5103: TRANSIT PROGRAM AND FUNDING**

|                 |                   |                |                    |                     |                |
|-----------------|-------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 01       | SUBPROGRAM: 08 | APPROPRIATION: 176 | DECISION ITEM: 5103 |                |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 10              | LOCAL ASSISTANCE  |                | 23,780,400.00-     | 23,780,400.00-      | 47,560,800.00- |
| 17              | TOTAL COST        |                | 23,780,400.00-     | 23,780,400.00-      | 47,560,800.00- |

**See Decision Item 5103-Appropriation 110 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 08 TRANSIT OPERATING AIDS  
NA 177 TIER C TRANSIT OPERATING AIDS, STATE FUNDS  
ALPH HS TIER C TRANSIT OPERATING AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |               |
|-------------------|------------------|------------------|---------------|---------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 10                | LOCAL ASSISTANCE | 5,039,200.00     | 5,039,200.00  | 10,078,400.00 |
| 17                | TOTAL COST       | 5,039,200.00     | 5,039,200.00  | 10,078,400.00 |

**DIN 5103: TRANSIT PROGRAM AND FUNDING**

|                 |                   |                |                    |                     |                |
|-----------------|-------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 01       | SUBPROGRAM: 08 | APPROPRIATION: 177 | DECISION ITEM: 5103 |                |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 10              | LOCAL ASSISTANCE  |                | 5,039,200.00-      | 5,039,200.00-       | 10,078,400.00- |
| 17              | TOTAL COST        |                | 5,039,200.00-      | 5,039,200.00-       | 10,078,400.00- |

**See Decision Item 5103-Appropriation 110 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 08 TRANSIT OPERATING AIDS  
NA 193 TIER A-1 TRANSIT OPERATING AIDS, STATE FUNDS  
ALPH HT TIER A-1 TRANSIT OPERATING AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |                |
|-------------------|------------------|------------------|---------------|----------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 10                | LOCAL ASSISTANCE | 62,342,200.00    | 62,342,200.00 | 124,684,400.00 |
| 17                | TOTAL COST       | 62,342,200.00    | 62,342,200.00 | 124,684,400.00 |

**DIN 5103: TRANSIT PROGRAM AND FUNDING**

|                 |                   |                |                    |                     |                 |
|-----------------|-------------------|----------------|--------------------|---------------------|-----------------|
| DEPARTMENT: 395 | PROGRAM: 01       | SUBPROGRAM: 08 | APPROPRIATION: 193 | DECISION ITEM: 5103 |                 |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL           |
| 10              | LOCAL ASSISTANCE  |                | 62,342,200.00-     | 62,342,200.00-      | 124,684,400.00- |
| 17              | TOTAL COST        |                | 62,342,200.00-     | 62,342,200.00-      | 124,684,400.00- |

**See Decision Item 5103-Appropriation 110 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 01 AIDS  
SP 08 TRANSIT OPERATING AIDS  
NA 194 TIER A-2 TRANSIT OPERATING AIDS, STATE FUNDS  
ALPH HU TIER A-2 TRANSIT OPERATING AIDS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |               |
|-------------------|------------------|------------------|---------------|---------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 10                | LOCAL ASSISTANCE | 16,381,400.00    | 16,381,400.00 | 32,762,800.00 |
| 17                | TOTAL COST       | 16,381,400.00    | 16,381,400.00 | 32,762,800.00 |

**DIN 5103: TRANSIT PROGRAM AND FUNDING**

|                 |                   |                |                    |                     |                |
|-----------------|-------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 01       | SUBPROGRAM: 08 | APPROPRIATION: 194 | DECISION ITEM: 5103 |                |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 10              | LOCAL ASSISTANCE  |                | 16,381,400.00-     | 16,381,400.00-      | 32,762,800.00- |
| 17              | TOTAL COST        |                | 16,381,400.00-     | 16,381,400.00-      | 32,762,800.00- |

**See Decision Item 5103-Appropriation 110 for an explanation.**

| <b>BUDGET NARRATIVE FORM</b>                       |            |  |               |
|--|------------|--|---------------|
|  | Codes      | Titles                                 | Page          |
| AGENCY NARRATIVE                                   | <b>395</b> | <b>Department of Transportation</b>    | <b>1 of 1</b> |
| PROGRAM NARRATIVE                                  | <b>02</b>  | <b>Local Transportation Assistance</b> |               |
| SUB-PROGRAM NARRATIVE                              |            |  |               |
| <b>-NOT FOR USE WITH DECISION ITEM NARRATIVES-</b> |            |  |               |

This program is composed of four elements: aeronautics, railroads, harbors, and local highways and bridges. The Bureau of Aeronautics administers a variety of programs related to airports and aviation safety. The bureau, working with local airport owners and through the distribution of federal airport funds, promotes and assists in the development of a statewide airport system, as well as promoting aviation safety and education for Wisconsin pilots. The bureau also develops and maintains an airport system plan for the state.

The Department's freight rail assistance program is administered by the Bureau of Transit, Local Roads, Rails and Harbors in the Division of Transportation Investment Management (DTIM). The passenger rail service program is administered by the Division of Transportation System Development (DTSD). Since the 1977-79 biennium, rail programs have assisted localities that have recently lost rail service. In addition, the Department is continuing programs aimed at preserving rail service that might otherwise be abandoned, providing financial assistance to both passenger and freight rail service providers, preserving selected abandoned rail corridors for future public purposes, and expanding passenger rail service.

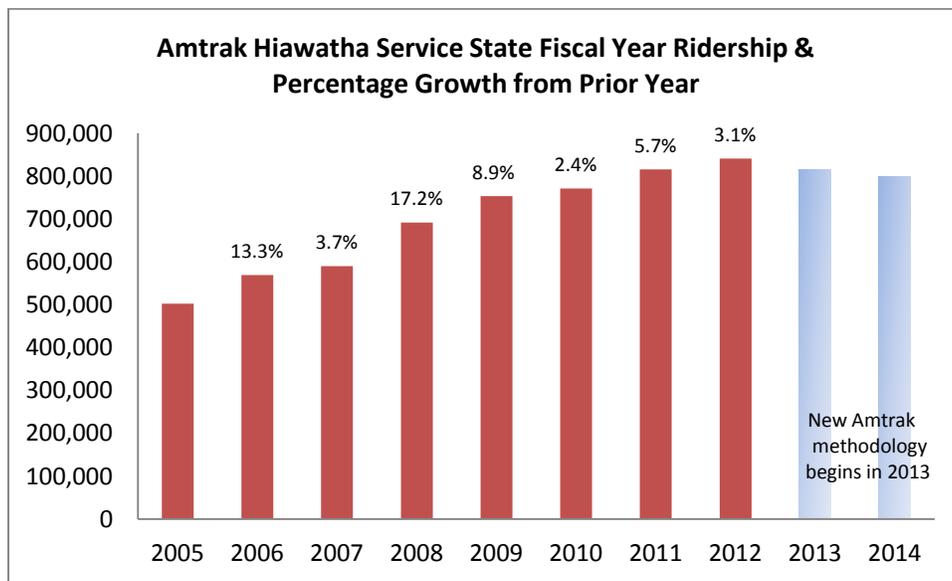
The harbor program provides grants to private and publicly-owned harbors for dock wall repair, dredging and other harbor improvement activities, and also for cruise ship and ferry boat facilities. The harbor program is also administered by the Bureau of Transit, Local Roads, Rails and Harbors.

The Department is responsible for administering federal-aid highway funds, a portion of which is made available to local units of government. DTIM and DTSD assist local units of government in defining their needs for improving roadways, bridges, and rail crossing protection in accordance with federal and state guidelines. Also included in this program are state aids to railroads for the maintenance of rail crossing devices and local projects that improve air quality and promote alternatives to automobile transportation.

## PROGRAM 2 PERFORMANCE MEASURE

PROGRAM 2: Local Transportation Assistance  
 GOAL: Provide assistance to maintain a safe and efficient transportation system and maximize the economic development impacts of this assistance  
 ACTIVITY: Intercity railroad passenger service  
 OBJECTIVE: Increase the average annual ridership on the state-supported railroad passenger service between Milwaukee and Chicago  
 OUTCOME MEASURE: Level of annual ridership

DESCRIPTION OF ACTIVITY: Since 1989, the Department, in cooperation with the State of Illinois, has financially supported intercity passenger rail service between Milwaukee and Chicago. Amtrak Hiawatha Service ridership has grown from 502,276 in FY 2005 to 799,232 in FY 2014, an average annual increase of 5.9 percent per year. The last 10 years of ridership on the Amtrak Hiawatha Service are shown below:



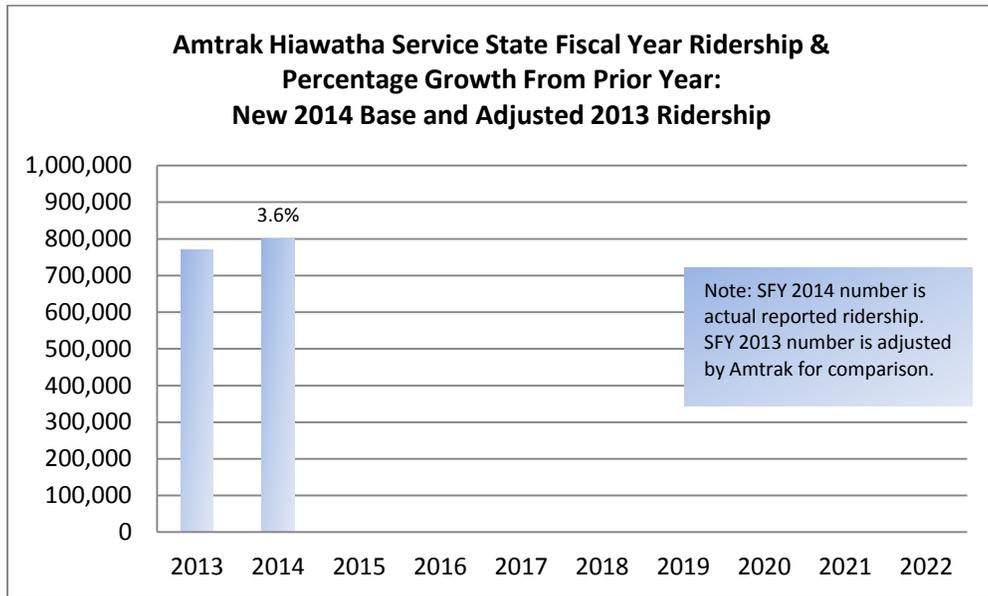
Source: WisDOT 2014 analysis of Amtrak data

In 2013, with the introduction of E-ticketing, Amtrak changed its methodology to more accurately count and report ridership (i.e., trips). Previously, Amtrak could only estimate the trips generated from passengers who used non-standard tickets (e.g., unlimited monthly passes). E-ticketing since 2013 has enabled Amtrak to count the actual trips taken by riders using such passes.

It difficult to compare ridership figures beginning in 2013 with ridership numbers from before that time given the change in Amtrak’s methodology as well as the relatively large number trips taken by riders using these passes, which is approximately 20 percent. If a direct comparison is made, it appears that ridership has declined beginning in 2013. In fact, it is more likely that Amtrak’s methodology for estimating ridership generated from passes prior to 2013 was overstating ridership figures.

Amtrak has provided re-stated ridership figures for comparison purposes. With this adjustment, FY 2014 ridership actually increased by 3.6 percent over an adjusted FY 2013.

As a result of the changes in Amtrak’s methodology, a new base year of FY 2014 is established to gauge ridership growth going forward. The chart below shows the new base year ridership along with an adjusted FY 2013 (i.e., 2013 ridership as re-stated by Amtrak). This comparison shows a ridership in increase of 3.6 percent from FY 2013 to FY 2014.



**ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:** For FY 15, the amount appropriated for Rail Passenger Assistance is \$6.8 million SEG. The actual amount of the contract for FY 15 is \$5.00 million SEG.

**RELATED DECISION ITEM:** 5405

**PLANNED PROGRESS TOWARD OBJECTIVE:** At the current level of funding the Department expects to see an increase in ridership of 3 percent in FY 15 and 3 percent per year in FYs 16 and 17.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** There are several external factors affecting ridership including: weather, on-time performance, highway construction on parallel routes, cleanliness of equipment, level of advertising, price of gasoline, fares, alternative transportation available, and state of the economy.

**USE OF OUTCOME MEASURES IN PROGRAMMING:** Changes in ridership will be used to guide future budget decisions about the level of support to provide to passenger railroad service.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 02 RAIL SERVICE ASSISTANCE  
NA 262 RAIL SERVICE ASSISTANCE, STATE FUNDS  
ALPH BQ RAIL SERVICE ASSISTANCE, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                          | CHANGE AUTHOR 1A |               |              |
|-------------------|--------------------------|------------------|---------------|--------------|
|                   |                          | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 16                | DELIVERY CHARGES/CREDITS | 1,212,700.00     | 1,212,700.00  | 2,425,400.00 |
| 17                | TOTAL COST               | 1,212,700.00     | 1,212,700.00  | 2,425,400.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                          |                |                    |                     |           |
|-------------------|--------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 02              | SUBPROGRAM: 02 | APPROPRIATION: 262 | DECISION ITEM: 3001 |           |
| EXPENDITURE ITEMS |                          |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 16                | DELIVERY CHARGES/CREDITS |                | 4,700.00-          | 4,700.00-           | 9,400.00- |
| 17                | TOTAL COST               |                | 4,700.00-          | 4,700.00-           | 9,400.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 02              | SUBPROGRAM: 02 | APPROPRIATION: 262 | DECISION ITEM: 3003 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 61,800.00          | 61,800.00           | 123,600.00 |
| 17              | TOTAL COST               |                | 61,800.00          | 61,800.00           | 123,600.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 02 RAIL SERVICE ASSISTANCE  
NA 272 RAIL SERVICE ASSISTANCE, LOCAL FUNDS  
ALPH BV RAIL SERVICE ASSISTANCE, LOCAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 500,000.00       | 500,000.00    | 1,000,000.00 |
| 17                | TOTAL COST                  | 500,000.00       | 500,000.00    | 1,000,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 02 RAIL SERVICE ASSISTANCE  
NA 282 RAIL SERVICE ASSISTANCE, FEDERAL FUNDS  
ALPH BX RAIL SERVICE ASSISTANCE, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |            |
|-------------------|-----------------------------|------------------|---------------|------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 15                | MAJOR COSTS CHARGES/CREDITS | 35,200.00        | 35,200.00     | 70,400.00  |
| 16                | DELIVERY CHARGES/CREDITS    | 14,800.00        | 14,800.00     | 29,600.00  |
| 17                | TOTAL COST                  | 50,000.00        | 50,000.00     | 100,000.00 |

**DIN 6001: FEDERAL FUNDS REESTIMATES**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 02 | APPROPRIATION: 282 | DECISION ITEM: 6001 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 10,000.00-         | 10,000.00-          | 20,000.00- |
| 17                | TOTAL COST                  |                | 10,000.00-         | 10,000.00-          | 20,000.00- |

**See Decision Item 6001-Appropriation 961 for an explanation**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 02 RAIL SERVICE ASSISTANCE  
NA 292 FREIGHT RAIL ASSIST LOAN REPAYMENTS, LOCAL FUNDS  
ALPH BW FREIGHT RAIL ASSIST LOAN REPAYMENTS, LOCAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 4,000,000.00     | 4,000,000.00  | 8,000,000.00 |
| 17                | TOTAL COST                  | 4,000,000.00     | 4,000,000.00  | 8,000,000.00 |

**DIN 5201: FRPP SEG APPROPRIATION**

|                   |             |                |                    |                     |  |       |
|-------------------|-------------|----------------|--------------------|---------------------|--|-------|
| DEPARTMENT: 395   | PROGRAM: 02 | SUBPROGRAM: 02 | APPROPRIATION: 293 | DECISION ITEM: 5201 |  |       |
| EXPENDITURE ITEMS |             |                | 1ST YEAR COST      | 2ND YEAR COST       |  | TOTAL |
| 17                | TOTAL COST  |                | 0.00               | 0.00                |  | 0.00  |

**SUMMARY:** The Department requests the creation of a new continuing SEG appropriation in section 20.395(2), Wisconsin Statutes, for the Freight Rail Preservation Program. The Department requests funding in the new appropriation be set at \$0 for FY 16 and FY 17.

**DISCUSSION** The Freight Rail Preservation Program (FRPP) is one of two freight rail assistance programs administered by the Department (the other is the Freight Rail Improvement Program). Wisconsin’s original rail assistance program was created in 1977 to help communities and shippers preserve freight rail service during an era when widespread railroad bankruptcies and line abandonments threatened the availability of freight rail service in Wisconsin. Initially, the program was limited to grants to local governments because of constitutional restrictions on state assistance to railroads.

However, in 1992 Wisconsin voters approved a constitutional amendment that included railroads in the list of internal improvements state money could fund. With the constitutional amendment, the original rail assistance grant program was replaced by the current FRPP.

Under the FRPP, the Department has the authority to purchase freight rail lines in the state in order to preserve current or future freight rail service. The program also provides grants to local units of government, industries, and railroads for the purpose of preserving and rehabilitating state-owned rail lines.

The FRPP is currently funded entirely with bond funding. A program entirely funded with bonds may not be sustainable over the long-term due to the debt service requirements on the Transportation Fund. In addition, the use of bond funds includes certain restrictions that limit the projects the program can fund as well as the efficiency and effectiveness of the program. Dual funding with SEG and bond funds, similar to the Harbor Assistance Program, would help to address these limits on the program.

**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Freight Rail Preservation Program

**DIN:** 5201

**ISSUE TITLE:** Create SEG Appropriation

**REQUEST:**

The Department requests the creation of a new continuing SEG appropriation in section 20.395(2), Wisconsin Statutes, for the Freight Rail Preservation Program. The Department requests funding in the new appropriation be set at \$0 for FY 16 and FY 17.

**SUMMARY:**

The Freight Rail Preservation Program (FRPP) is one of two freight rail assistance programs administered by the Department (the other is the Freight Rail Infrastructure Improvement Program). Wisconsin's original rail assistance program was created in 1977 to help communities and shippers preserve freight rail service during an era when widespread railroad bankruptcies and line abandonments threatened the availability of freight rail service in Wisconsin. Initially, the program was limited to grants to local governments because of constitutional restrictions on state assistance to railroads.

However, in 1992 Wisconsin voters approved a constitutional amendment that included railroads in the list of internal improvements state money could fund. With the constitutional amendment, the original rail assistance grant program was replaced by the current FRPP.

Under the FRPP, the Department has the authority to purchase freight rail lines in the state in order to preserve current or future freight rail service. The program also provides grants to local units of government, industries, and railroads for the purpose of preserving and rehabilitating state-owned rail lines. Since 1980, under both the original rail assistance program and FRPP, some \$221 million in grants have been awarded for rail acquisition and rehabilitation projects.

The FRPP is funded entirely with Transportation Fund-supported General Obligation bonding. New bonding authority is required in each biennial budget to continue the program. While the long-term nature of the acquisitions and improvements align with the long-term nature of bond financing, the sustainability of a program funded entirely with bonds is uncertain due to the ever increasing debt service costs to the Transportation Fund.

**JUSTIFICATION:**

The FRPP is currently funded entirely with bond funding. A program entirely funded with bonds may not be sustainable over the long-term due to the debt service requirements on the Transportation Fund. In addition, the use of bond funds includes certain restrictions that limit the projects the program can fund as well as the efficiency and effectiveness of the program. Dual funding with SEG and bond funds, similar to the Harbor Assistance Program, would help to address these limits on the program.

In addition, relying completely on bond funds creates restrictions and inefficiencies that somewhat limit the program's effectiveness. The addition of SEG funding would make the FRPP similar to the Harbor Assistance Program, which is primarily bond funded, but also includes a SEG appropriation and funding. The Department requests funding in the new appropriation be set at \$0 in FY 16 and FY 17 to set the framework for broadening the funding base. The Department will evaluate program needs and request funding as part of the 2017-19 biennial budget process.

**Department of Transportation**  
**2015-2017 Biennial Budget Request**  
**STATUTORY MODIFICATIONS**

**DIN:** 5201

**TOPIC:** Create Freight Rail Preservation Program SEG Appropriation

**DESCRIPTION OF CHANGE:**

The Department requests the creation of a continuing SEG appropriation in section 20.395(2), Wisconsin Statutes, for the purposes of carrying out ss. 85.08 and 85.09, Wis. Stats.

**JUSTIFICATION:**

The Freight Rail Preservation Program (FRPP) is one of two freight rail assistance programs administered by the Department (the other is the Freight Rail Improvement Program). Wisconsin's original rail assistance program was created in 1977 to help communities and shippers preserve freight rail service during an era when widespread railroad bankruptcies and line abandonments threatened the availability of freight rail service in Wisconsin. Initially, the program was limited to grants to local governments because of constitutional restrictions on state assistance to railroads.

However, in 1992 Wisconsin voters approved a constitutional amendment that included railroads in the list of internal improvements state money could fund. With the constitutional amendment, the original rail assistance grant program was replaced by the current FRPP.

Under the FRPP, the Department has the authority to purchase freight rail lines in the state in order to preserve current or future freight rail service. With the FRPP, the Department also provides grants to local units of government, industries, and railroads for the purpose of preserving and rehabilitating state-owned rail lines.

The FRPP is currently funded entirely with bond funding. A program entirely funded with bonds may not be sustainable over the long-term due to the debt service requirements on the Transportation Fund. In addition, the use of bond funds includes certain restrictions that limit the projects the program can fund as well as the efficiency and effectiveness of the program. Dual funding with SEG and bond funds, similar to the Harbor Assistance Program, would help to address these limits on the program.

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5201

**TOPIC:** Clarification of Competitive Bidding Requirements for Railroad Projects

**DESCRIPTION OF CHANGE:**

The Department requests that section 85.077, Wis. Stats., be amended as follows:

- a. Delete s. 85.077(2)(c), Wis. Stats.; and
- b. Amend s. 85.077(3), Wis. Stats., as follows:

**(3)** The department or the recipient of public funds may not subdivide a project into more than one contract, allocate work or workers in any manner, or transfer the jurisdiction of a project to avoid the requirements of sub. (1), except that a railroad recipient may perform work on a publicly-funded project with its own employees without bidding that work, if the work only involves rail property or rail property improvements owned or leased by the railroad.

**JUSTIFICATION:**

Section 85.077, Wis. Stats., requires that all railroad projects funded in any part with public funds shall be competitively bid, with some limited exceptions. Section 85.077(2)(c), Wis. Stats., exempts the project from the bidding requirement if “*The project involves only rail property or rail property improvements owned or leased by a railroad and the project is to be performed by the railroad using its own employees.*” Section 85.077(3), Wis. Stats., specifies that “*The department or the recipient of public funds may not subdivide a project into more than one contract, allocate work or workers in any manner, or transfer the jurisdiction of a project to avoid the requirements of sub. (1).*” This has been interpreted to mean that if the entire project is greater than \$25,000, and any part of the project, no matter how small, cannot be completed by the railroad with its own employees, the entire project must be competitively bid. It is unlikely that a railroad, especially a short line, would be able to complete a project without any contract work. The requested amendment would allow railroads to complete the work they are able to with their own forces and competitively bid any work that they cannot perform for a given project.

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN NUMBER:** 5201

**TOPIC:** Clarification of Tax Exempt Status for State-owned Railroad Property

**DESCRIPTION OF CHANGE:**

The Department requests that section 66.0705(1)(a), Wis. Stats., be amended to include an exception for land acquired and held for purposes of s. 85.08, Wis. Stats. In addition, the Department requests that section 70.119(3)(e), Wis. Stats., be amended as follows:

(e) "State facilities" means all property owned and operated by the state for the purpose of carrying out usual state functions, including the branch campuses of the university of Wisconsin system but not including land held for right-of-way purposes or acquired or held for purposes under s. 85.08 or 85.09.

**JUSTIFICATION:**

The Department has the authority to acquire railroad property under ss. 85.08 and 85.09, Wis. Stats. However, currently only s. 85.09, Wis. Stats., is referenced in s. 66.0705(1)(a), Wis. Stats., which addresses property of public and private entities that are subject to special assessments. Property of public agencies is subject to certain special tax assessments for local improvements. The Department frequently receives bills from municipalities for these charges for railroad right-of-way. Abandoned railroad property purchased by the State under s. 85.09, Wis. Stats., is specifically exempt from the payment of special assessments under s. 66.0705(1)(a), Wis. Stats. Property purchased by the State under both ss. 85.08 and 85.09, Wis. Stats., is held for public highway right-of-way purposes and exempt from special tax assessments under s. 70.119(3)(e), Wis. Stats. Although it is well established by legal opinion, there is occasionally some confusion regarding the designation of railroad right-of-way as highway right-of-way. It would simplify and clarify the process and reduce confusion if railroad property acquired under s. 85.08, Wis. Stats., was included in s. 66.0705(1)(a), Wis. Stats., as exempt from special tax assessments.

In addition, the Department is requesting a change to section 70.119(3)(e), Wis. Stats., to clarify that railroad property under s. 85.08 and s.85.09, Wis. Stats. is also exempt from payment in lieu of taxes.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 03 HARBOR & RAIL PASSENGER ASSIST  
NA 263 HARBOR ASSISTANCE, STATE FUNDS  
ALPH CQ HARBOR ASSISTANCE, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 493,800.00       | 493,800.00    | 987,600.00   |
| 16                | DELIVERY CHARGES/CREDITS    | 157,000.00       | 157,000.00    | 314,000.00   |
| 17                | TOTAL COST                  | 650,800.00       | 650,800.00    | 1,301,600.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 03 HARBOR & RAIL PASSENGER ASSIST  
NA 266 RAIL PASSENGER SERVICE, STATE FUNDS  
ALPH CR RAIL PASSENGER SERVICE, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |               |
|-------------------|-----------------------------|------------------|---------------|---------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS | 6,800,000.00     | 6,800,000.00  | 13,600,000.00 |
| 17                | TOTAL COST                  | 6,800,000.00     | 6,800,000.00  | 13,600,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 04 AERONAUTICS ASSISTANCE  
NA 238 AVIATION CAREER EDUCATION, STATE FUNDS  
ALPH DS AVIATION CAREER EDUCATION, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                          | CHANGE AUTHOR 1A |               |            |
|-------------------|--------------------------|------------------|---------------|------------|
|                   |                          | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 16                | DELIVERY CHARGES/CREDITS | 178,800.00       | 178,800.00    | 357,600.00 |
| 17                | TOTAL COST               | 178,800.00       | 178,800.00    | 357,600.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 04 AERONAUTICS ASSISTANCE  
NA 264 AERONAUTICS ASSISTANCE, STATE FUNDS  
ALPH DQ AERONAUTICS ASSISTANCE, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS              | CHANGE AUTHOR 1A<br>1ST YEAR COST | 2ND YEAR COST | TOTAL         |
|--------------------------------|-----------------------------------|---------------|---------------|
| 15 MAJOR COSTS CHARGES/CREDITS | 10,735,700.00                     | 10,735,700.00 | 21,471,400.00 |
| 16 DELIVERY CHARGES/CREDITS    | 2,369,000.00                      | 2,369,000.00  | 4,738,000.00  |
| 17 TOTAL COST                  | 13,104,700.00                     | 13,104,700.00 | 26,209,400.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                          |                |                    |                     |            |
|-------------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 02              | SUBPROGRAM: 04 | APPROPRIATION: 264 | DECISION ITEM: 3001 |            |
| EXPENDITURE ITEMS |                          |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16                | DELIVERY CHARGES/CREDITS |                | 11,300.00-         | 11,300.00-          | 22,600.00- |
| 17                | TOTAL COST               |                | 11,300.00-         | 11,300.00-          | 22,600.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 02              | SUBPROGRAM: 04 | APPROPRIATION: 264 | DECISION ITEM: 3003 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 91,200.00          | 91,200.00           | 182,400.00 |
| 17              | TOTAL COST               |                | 91,200.00          | 91,200.00           | 182,400.00 |

**DIN 6030: TRAFFIC COUNTING POSITIONS**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 02              | SUBPROGRAM: 04 | APPROPRIATION: 264 | DECISION ITEM: 6030 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 70,200.00          | 70,200.00           | 140,400.00 |
| 17              | TOTAL COST               |                | 70,200.00          | 70,200.00           | 140,400.00 |

**See Decision Item 6030-Appropriation 461 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 04 AERONAUTICS ASSISTANCE  
NA 274 AERONAUTICS ASSISTANCE, LOCAL FUNDS  
ALPH DV AERONAUTICS ASSISTANCE, LOCAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |               |
|-------------------|-----------------------------|------------------|---------------|---------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS | 42,000,000.00    | 42,000,000.00 | 84,000,000.00 |
| 17                | TOTAL COST                  | 42,000,000.00    | 42,000,000.00 | 84,000,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 04 AERONAUTICS ASSISTANCE  
NA 284 AERONAUTICS ASSISTANCE, FEDERAL FUNDS  
ALPH DX AERONAUTICS ASSISTANCE, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |                |
|-------------------|-----------------------------|------------------|---------------|----------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS | 73,047,500.00    | 73,047,500.00 | 146,095,000.00 |
| 16                | DELIVERY CHARGES/CREDITS    | 892,400.00       | 892,400.00    | 1,784,800.00   |
| 17                | TOTAL COST                  | 73,939,900.00    | 73,939,900.00 | 147,879,800.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 04 | APPROPRIATION: 284 | DECISION ITEM: 3001 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 50,500.00          | 50,500.00           | 101,000.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 50,500.00-         | 50,500.00-          | 101,000.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 04 | APPROPRIATION: 284 | DECISION ITEM: 3003 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 21,800.00-         | 21,800.00-          | 43,600.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 21,800.00          | 21,800.00           | 43,600.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00        |

**DIN 6001: FEDERAL FUNDS REESTIMATES**

|                 |                             |                |                    |                     |               |
|-----------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 02                 | SUBPROGRAM: 04 | APPROPRIATION: 284 | DECISION ITEM: 6001 |               |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 2,302,100.00-      | 2,302,100.00-       | 4,604,200.00- |
| 17              | TOTAL COST                  |                | 2,302,100.00-      | 2,302,100.00-       | 4,604,200.00- |

**See Decision Item 6001-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 05 HWY & LOCAL BRIDGE IMPR ASSIST  
NA 265 HWY & LOCAL BRIDGE IMPR ASSISTANCE, STATE FUNDS  
ALPH EQ HWY & LOCAL BRIDGE IMPR ASSISTANCE, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |               |
|-------------------|-----------------------------|------------------|---------------|---------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS | 8,246,900.00     | 8,246,900.00  | 16,493,800.00 |
| 16                | DELIVERY CHARGES/CREDITS    | 217,400.00       | 217,400.00    | 434,800.00    |
| 17                | TOTAL COST                  | 8,464,300.00     | 8,464,300.00  | 16,928,600.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                          |                |                    |                     |           |
|-------------------|--------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 02              | SUBPROGRAM: 05 | APPROPRIATION: 265 | DECISION ITEM: 3001 |           |
| EXPENDITURE ITEMS |                          |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 16                | DELIVERY CHARGES/CREDITS |                | 2,900.00-          | 2,900.00-           | 5,800.00- |
| 17                | TOTAL COST               |                | 2,900.00-          | 2,900.00-           | 5,800.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                          |                |                    |                     |          |
|-----------------|--------------------------|----------------|--------------------|---------------------|----------|
| DEPARTMENT: 395 | PROGRAM: 02              | SUBPROGRAM: 05 | APPROPRIATION: 265 | DECISION ITEM: 3003 |          |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL    |
| 16              | DELIVERY CHARGES/CREDITS |                | 4,600.00           | 4,600.00            | 9,200.00 |
| 17              | TOTAL COST               |                | 4,600.00           | 4,600.00            | 9,200.00 |

**DIN 3007: OVERTIME**

|                 |                          |                |                    |                     |          |
|-----------------|--------------------------|----------------|--------------------|---------------------|----------|
| DEPARTMENT: 395 | PROGRAM: 02              | SUBPROGRAM: 05 | APPROPRIATION: 265 | DECISION ITEM: 3007 |          |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL    |
| 16              | DELIVERY CHARGES/CREDITS |                | 1,700.00           | 1,700.00            | 3,400.00 |
| 17              | TOTAL COST               |                | 1,700.00           | 1,700.00            | 3,400.00 |

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                   |                             |                |                    |                     |               |
|-------------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 05 | APPROPRIATION: 265 | DECISION ITEM: 5202 |               |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | .00                | 33,256,000.00       | 33,256,000.00 |
| 16                | DELIVERY CHARGES/CREDITS    |                | .00                | 1,028,500.00        | 1,028,500.00  |
| 17                | TOTAL COST                  |                | .00                | 34,284,500.00       | 34,284,500.00 |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 05 HWY & LOCAL BRIDGE IMPR ASSIST  
NA 275 LOCAL BRIDGE IMPROVEMENT ASSISTANCE, LOCAL FUNDS  
ALPH EV LOCAL BRIDGE IMPROVEMENT ASSISTANCE, LOCAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS              | CHANGE AUTHOR 1A<br>1ST YEAR COST | 2ND YEAR COST | TOTAL         |
|--------------------------------|-----------------------------------|---------------|---------------|
| 15 MAJOR COSTS CHARGES/CREDITS | 7,583,000.00                      | 7,583,000.00  | 15,166,000.00 |
| 16 DELIVERY CHARGES/CREDITS    | 1,197,400.00                      | 1,197,400.00  | 2,394,800.00  |
| 17 TOTAL COST                  | 8,780,400.00                      | 8,780,400.00  | 17,560,800.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 05 | APPROPRIATION: 275 | DECISION ITEM: 3001 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 2,200.00           | 2,200.00            | 4,400.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 2,200.00-          | 2,200.00-           | 4,400.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 05 | APPROPRIATION: 275 | DECISION ITEM: 3003 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 3,500.00-          | 3,500.00-           | 7,000.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 3,500.00           | 3,500.00            | 7,000.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 05 | APPROPRIATION: 275 | DECISION ITEM: 3007 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 1,300.00-          | 1,300.00-           | 2,600.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 1,300.00           | 1,300.00            | 2,600.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 05 HWY & LOCAL BRIDGE IMPR ASSIST  
NA 285 LOCAL BRIDGE IMPR ASSISTANCE, FEDERAL FUNDS  
ALPH EX LOCAL BRIDGE IMPR ASSISTANCE, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                                | CHANGE AUTHOR 1A |               |               |
|--------------------------------|------------------|---------------|---------------|
| EXPENDITURE ITEMS              | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 15 MAJOR COSTS CHARGES/CREDITS | 21,299,300.00    | 21,299,300.00 | 42,598,600.00 |
| 16 DELIVERY CHARGES/CREDITS    | 3,110,300.00     | 3,110,300.00  | 6,220,600.00  |
| 17 TOTAL COST                  | 24,409,600.00    | 24,409,600.00 | 48,819,200.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 05 | APPROPRIATION: 285 | DECISION ITEM: 3001 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 3,700.00           | 3,700.00            | 7,400.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 3,700.00-          | 3,700.00-           | 7,400.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 05 | APPROPRIATION: 285 | DECISION ITEM: 3003 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 5,800.00-          | 5,800.00-           | 11,600.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 5,800.00           | 5,800.00            | 11,600.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00        |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 05 | APPROPRIATION: 285 | DECISION ITEM: 3007 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 2,200.00-          | 2,200.00-           | 4,400.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 2,200.00           | 2,200.00            | 4,400.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                   |                             |                |                    |                     |                |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 05 | APPROPRIATION: 285 | DECISION ITEM: 5202 |                |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | .00                | 23,677,300.00-      | 23,677,300.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | .00                | 732,300.00-         | 732,300.00-    |
| 17                | TOTAL COST                  |                | .00                | 24,409,600.00-      | 24,409,600.00- |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 06 LOC TRANSP FACILITY IMPR ASST  
NA 270 LOC RDS IMPROV. PROGR; DISCRETIONARY GRANTS, STFD  
ALPH FT LOC RDS IMPROV. PROGR; DISCRETIONARY GRANTS, STFD  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |               |
|-------------------|-----------------------------|------------------|---------------|---------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS | 11,836,000.00    | 11,836,000.00 | 23,672,000.00 |
| 17                | TOTAL COST                  | 11,836,000.00    | 11,836,000.00 | 23,672,000.00 |

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                   |                             |                |                    |                     |                |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 06 | APPROPRIATION: 270 | DECISION ITEM: 5202 |                |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | .00                | 11,836,000.00-      | 11,836,000.00- |
| 17                | TOTAL COST                  |                | .00                | 11,836,000.00-      | 11,836,000.00- |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 06 LOC TRANSP FACILITY IMPR ASST  
NA 276 LOC TRANSP FACILITY IMPR ASSISTANCE, LOCAL FUNDS  
ALPH FV LOC TRANSP FACILITY IMPR ASSISTANCE, LOCAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS              | CHANGE AUTHOR 1A<br>1ST YEAR COST | 2ND YEAR COST | TOTAL         |
|--------------------------------|-----------------------------------|---------------|---------------|
| 15 MAJOR COSTS CHARGES/CREDITS | 37,347,100.00                     | 37,347,100.00 | 74,694,200.00 |
| 16 DELIVERY CHARGES/CREDITS    | 1,548,400.00                      | 1,548,400.00  | 3,096,800.00  |
| 17 TOTAL COST                  | 38,895,500.00                     | 38,895,500.00 | 77,791,000.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 06 | APPROPRIATION: 276 | DECISION ITEM: 3001 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 3,200.00           | 3,200.00            | 6,400.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 3,200.00-          | 3,200.00-           | 6,400.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 06 | APPROPRIATION: 276 | DECISION ITEM: 3003 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 5,000.00-          | 5,000.00-           | 10,000.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 5,000.00           | 5,000.00            | 10,000.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00        |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 06 | APPROPRIATION: 276 | DECISION ITEM: 3007 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 1,900.00-          | 1,900.00-           | 3,800.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 1,900.00           | 1,900.00            | 3,800.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                   |                             |                |                    |                     |                |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 06 | APPROPRIATION: 276 | DECISION ITEM: 5202 |                |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | .00                | 37,728,600.00-      | 37,728,600.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | .00                | 1,166,900.00-       | 1,166,900.00-  |
| 17                | TOTAL COST                  |                | .00                | 38,895,500.00-      | 38,895,500.00- |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 06 LOC TRANSP FACILITY IMPR ASST  
NA 278 LOCAL ROADS IMPROVEMENT PROGRAM, STATE FUNDS  
ALPH FR LOCAL ROADS IMPROVEMENT PROGRAM, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |               |
|-------------------|-----------------------------|------------------|---------------|---------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS | 16,197,000.00    | 16,197,000.00 | 32,394,000.00 |
| 17                | TOTAL COST                  | 16,197,000.00    | 16,197,000.00 | 32,394,000.00 |

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                   |                             |                |                    |                     |                |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 06 | APPROPRIATION: 278 | DECISION ITEM: 5202 |                |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | .00                | 16,197,000.00-      | 16,197,000.00- |
| 17                | TOTAL COST                  |                | .00                | 16,197,000.00-      | 16,197,000.00- |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 06 LOC TRANSP FACILITY IMPR ASST  
NA 286 LOC TRANSP FACILITY IMPR ASSISTANCE, FED FUNDS  
ALPH FX LOC TRANSP FACILITY IMPR ASSISTANCE, FED FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |                |
|-------------------|-----------------------------|------------------|---------------|----------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS | 70,244,500.00    | 70,244,500.00 | 140,489,000.00 |
| 16                | DELIVERY CHARGES/CREDITS    | 1,993,500.00     | 1,993,500.00  | 3,987,000.00   |
| 17                | TOTAL COST                  | 72,238,000.00    | 72,238,000.00 | 144,476,000.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 06 | APPROPRIATION: 286 | DECISION ITEM: 3001 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 5,200.00           | 5,200.00            | 10,400.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 5,200.00-          | 5,200.00-           | 10,400.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00        |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 06 | APPROPRIATION: 286 | DECISION ITEM: 3003 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 8,200.00-          | 8,200.00-           | 16,400.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 8,200.00           | 8,200.00            | 16,400.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00        |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 06 | APPROPRIATION: 286 | DECISION ITEM: 3007 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 3,000.00-          | 3,000.00-           | 6,000.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 3,000.00           | 3,000.00            | 6,000.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                   |                             |                |                    |                     |                |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 06 | APPROPRIATION: 286 | DECISION ITEM: 5202 |                |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | .00                | 70,070,900.00-      | 70,070,900.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | .00                | 2,167,100.00-       | 2,167,100.00-  |
| 17                | TOTAL COST                  |                | .00                | 72,238,000.00-      | 72,238,000.00- |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 07 RR XING IMPR, PROTECT & REPAIR  
NA 267 RR CROSSING IMPR & PROTECTION MAINT., STATE FUNDS  
ALPH GQ RR CROSSING IMPR & PROTECTION MAINT., STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 2,112,000.00     | 2,112,000.00  | 4,224,000.00 |
| 17                | TOTAL COST                  | 2,112,000.00     | 2,112,000.00  | 4,224,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 07 RR XING IMPR, PROTECT & REPAIR  
NA 269 RAILROAD CROSSING REPAIR ASSISTANCE, STATE FUNDS  
ALPH GS RAILROAD CROSSING REPAIR ASSISTANCE, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |            |
|-------------------|-----------------------------|------------------|---------------|------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 15                | MAJOR COSTS CHARGES/CREDITS | 234,700.00       | 234,700.00    | 469,400.00 |
| 17                | TOTAL COST                  | 234,700.00       | 234,700.00    | 469,400.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 07 RR XING IMPR, PROTECT & REPAIR  
NA 287 RAILROAD CROSSING IMPROVEMENT, FEDERAL FUNDS  
ALPH GX RAILROAD CROSSING IMPROVEMENT, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS              | CHANGE AUTHOR 1A<br>1ST YEAR COST | 2ND YEAR COST | TOTAL        |
|--------------------------------|-----------------------------------|---------------|--------------|
| 15 MAJOR COSTS CHARGES/CREDITS | 2,883,300.00                      | 2,883,300.00  | 5,766,600.00 |
| 16 DELIVERY CHARGES/CREDITS    | 408,500.00                        | 408,500.00    | 817,000.00   |
| 17 TOTAL COST                  | 3,291,800.00                      | 3,291,800.00  | 6,583,600.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 07 RR XING IMPR, PROTECT & REPAIR  
NA 299 RR CROSSING IMPR & PROTECTION INSTALL, STATE FUNDS  
ALPH GR RR CROSSING IMPR & PROTECTION INSTALL, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 1,595,700.00     | 1,595,700.00  | 3,191,400.00 |
| 17                | TOTAL COST                  | 1,595,700.00     | 1,595,700.00  | 3,191,400.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 09 TRANSP FAC ECON ASST & DEVELOP  
NA 260 TRANSP FAC ECON ASST AND DEVELOP, ST FDS  
ALPH IQ TRANSP FAC ECON ASST AND DEVELOP, ST FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 3,402,600.00     | 3,402,600.00  | 6,805,200.00 |
| 17                | TOTAL COST                  | 3,402,600.00     | 3,402,600.00  | 6,805,200.00 |

**DIN 5203: TEA MODIFICATIONS**

|                   |                             |                |                    |                     |              |
|-------------------|-----------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 09 | APPROPRIATION: 260 | DECISION ITEM: 5203 |              |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 2,000,000.00       | 2,000,000.00        | 4,000,000.00 |
| 17                | TOTAL COST                  |                | 2,000,000.00       | 2,000,000.00        | 4,000,000.00 |

**See Decision Item 5203-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 09 TRANSP FAC ECON ASST & DEVELOP  
NA 273 TRANSP FAC ECON ASST AND DEVELOP, LOCAL FDS  
ALPH IV TRANSP FAC ECON ASST AND DEVELOP, LOCAL FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 3,588,700.00     | 3,588,700.00  | 7,177,400.00 |
| 17                | TOTAL COST                  | 3,588,700.00     | 3,588,700.00  | 7,177,400.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 10 TRANSPORTATION ALTERNATIVES  
NA 225 TRANSPORTATION ALTERNATIVES, STATE FUNDS  
ALPH JS TRANSPORTATION ALTERNATIVES, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 1,000,000.00     | 1,000,000.00  | 2,000,000.00 |
| 17                | TOTAL COST                  | 1,000,000.00     | 1,000,000.00  | 2,000,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 10 TRANSPORTATION ALTERNATIVES  
NA 226 TRANSPORTATION ALTERNATIVES, LOCAL FUNDS  
ALPH JV TRANSPORTATION ALTERNATIVES, LOCAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 2,012,300.00     | 2,012,300.00  | 4,024,600.00 |
| 17                | TOTAL COST                  | 2,012,300.00     | 2,012,300.00  | 4,024,600.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 10 TRANSPORTATION ALTERNATIVES  
NA 227 TRANSPORTATION ALTERNATIVES, FEDERAL FUNDS  
ALPH JX TRANSPORTATION ALTERNATIVES, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |               |
|-------------------|-----------------------------|------------------|---------------|---------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS | 7,049,300.00     | 7,049,300.00  | 14,098,600.00 |
| 17                | TOTAL COST                  | 7,049,300.00     | 7,049,300.00  | 14,098,600.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 11 CONGESTION MITIG & AIR QUAL IM  
NA 279 CONGESTION MITIG & AIR QUALITY IMPR, LOCAL FUNDS  
ALPH KV CONGESTION MITIG & AIR QUALITY IMPR, LOCAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 3,124,700.00     | 3,124,700.00  | 6,249,400.00 |
| 17                | TOTAL COST                  | 3,124,700.00     | 3,124,700.00  | 6,249,400.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 11 CONGESTION MITIG & AIR QUAL IM  
NA 289 CONGESTION MITIG & AIR QUALITY IMPR, FED FUNDS  
ALPH KX CONGESTION MITIG & AIR QUALITY IMPR, FED FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               | TOTAL         |
|-------------------|-----------------------------|------------------|---------------|---------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST |               |
| 15                | MAJOR COSTS CHARGES/CREDITS | 10,719,000.00    | 10,719,000.00 | 21,438,000.00 |
| 17                | TOTAL COST                  | 10,719,000.00    | 10,719,000.00 | 21,438,000.00 |

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                   |                             |                |                    |                     |                |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 12 | APPROPRIATION: 228 | DECISION ITEM: 5202 |                |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | .00                | 121,634,200.00      | 121,634,200.00 |
| 16                | DELIVERY CHARGES/CREDITS    |                | .00                | 3,761,900.00        | 3,761,900.00   |
| 17                | TOTAL COST                  |                | .00                | 125,396,100.00      | 125,396,100.00 |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                   |                             |                |                    |                     |               |
|-------------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 12 | APPROPRIATION: 229 | DECISION ITEM: 5202 |               |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | .00                | 37,728,600.00       | 37,728,600.00 |
| 16                | DELIVERY CHARGES/CREDITS    |                | .00                | 1,166,900.00        | 1,166,900.00  |
| 17                | TOTAL COST                  |                | .00                | 38,895,500.00       | 38,895,500.00 |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                   |                             |                |                    |                     |              |
|-------------------|-----------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 02                 | SUBPROGRAM: 12 | APPROPRIATION: 230 | DECISION ITEM: 5202 |              |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | .00                | 4,850,000.00        | 4,850,000.00 |
| 16                | DELIVERY CHARGES/CREDITS    |                | .00                | 150,000.00          | 150,000.00   |
| 17                | TOTAL COST                  |                | .00                | 5,000,000.00        | 5,000,000.00 |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 02 LOCAL TRANSP. ASSISTANCE  
SP 16 TRANSP INFRASTRUCTURE LOANS  
NA 251 TRANSP. INFRASTRUCTURE LOANS, STATE FUNDS  
ALPH PQ TRANSP. INFRASTRUCTURE LOANS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                         | CHANGE AUTHOR 1A |               |          |
|-------------------|-------------------------|------------------|---------------|----------|
|                   |                         | 1ST YEAR COST    | 2ND YEAR COST | TOTAL    |
| 14                | MISCELLANEOUS TRANSFERS | 4,600.00         | 4,600.00      | 9,200.00 |
| 17                | TOTAL COST              | 4,600.00         | 4,600.00      | 9,200.00 |

| <b>BUDGET NARRATIVE FORM</b>                       |            |                                     |               |
|--|------------|-------------------------------------|---------------|
|  | Codes      | Titles                              | Page          |
| AGENCY NARRATIVE                                   | <b>395</b> | <b>Department of Transportation</b> | <b>1 of 1</b> |
| PROGRAM NARRATIVE                                  | <b>03</b>  | <b>State Highway Facilities</b>     |               |
| SUB-PROGRAM NARRATIVE                              |            |                                     |               |
| <b>-NOT FOR USE WITH DECISION ITEM NARRATIVES-</b> |            |                                     |               |

Wisconsin's highway transportation program stresses preservation and reconditioning to protect Wisconsin taxpayers' investment in the state trunk highway system. In cooperation with local governments, the Department uses its resources to:

1. Preserve and enhance roadways, structures, and all other state highway facilities.
2. Provide for and aid the traveling public in the safe and economical use of highway facilities through effective maintenance and use of traffic management devices.
3. Provide increased safety, through crash reduction, at high hazard locations by eliminating roadway and roadside obstacles.
4. Promote economic growth commensurate with statewide social and environmental goals.
5. Preserve and enhance the natural environment in transportation corridors.
6. Increase efficiency in the movement of people and goods in and through the state.

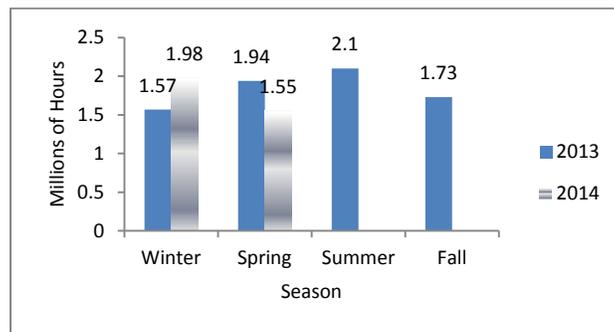
The state highway facilities program is administered cooperatively by the Division of Transportation Investment Management and Division of Transportation System Development. Within the central office and regional offices, line staff are generally organized into the functions of design, construction, maintenance, traffic, real estate, technical services, and administration and planning.

## PROGRAM 3 PERFORMANCE MEASURE

**PROGRAM 3:** State Highway Facilities  
**GOAL:** Develop, rehabilitate and preserve Wisconsin's state highway system in a cost-effective manner through the use of tested techniques to ensure roads and bridges continue providing service  
**ACTIVITY:** State highway development, renovation and rehabilitation  
**OBJECTIVE:** Reduce vehicle delay from the same quarter of the previous year  
**OUTCOME MEASURE:** Statewide hours of vehicle delay

**DESCRIPTION OF ACTIVITY:** Delay is defined as the extra time spent driving in congested road conditions, as compared to free flowing travel conditions. Hours of delay is calculated by measuring the number of vehicles on a corridor and then comparing actual travel times for segments of a route to the amount of time it would take to travel that same corridor at the posted speed limit. Data for this measure is acquired from Department-owned vehicle sensors and a Federal Highway Administration-sponsored national data set.

**Hours of Vehicle Delay Statewide**



For FY 15, amounts appropriated for the state highway program are \$746.7 million SEG, \$576.6 million FED, \$3.9 million LOCAL, \$200.0 million GO BOND and \$202.3 million REV BOND. This includes all funds totals of \$807.6 million for State Highway Rehabilitation, \$367.8 million for Major Highways, \$286.0 million for Southeast Mega Projects, \$258.1 million for maintenance and traffic operations, and \$10.0 million for standalone intelligent transportation system and traffic control signal projects. Reducing vehicle delay is one activity funded through these amounts.

**RELATED DECISION ITEM(S):** 5301, 5302, 5306, 5307

**PLANNED PROGRESS TOWARD OBJECTIVE:** Vehicle delay (hours) is reported quarterly and is based upon data gathered from each specific corridor of the Wisconsin Interstate system. The statewide hours of vehicle delay decreased by 395,513 hours during the 2014 spring quarter as compared to the 2013 spring quarter.

From June 2013 to May of 2014 the hours of statewide vehicle delay totaled 7,357,945. This translates to a statewide user delay cost of \$226,506,179. User delay cost is determined by multiplying user cost, vehicle delay and vehicle occupancy rates. User delay cost data is split into two categories: passenger cars and freight vehicles.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** Any interference (i.e., special events, peak period traffic, crashes, construction, and poor weather) that greatly increases traffic or restricts free-flow conditions will adversely affect actual travel time.

USE OF OUTCOME MEASURES IN PROGRAMMING: Data on corridor congestion helps the Department formulate traffic management strategies and evaluate the impact of changes, such as deploying more advanced intelligent transportation system technologies, maximizing existing roadway space to match peak period demands, sharing information through electronic message boards and the Department's 511 traveler information services, clearing disabled vehicles more quickly, encouraging drivers to select alternate routes and expanding highway capacity through highway improvement projects. The Department has installed new vehicle detection capability and increased its system coverage to provide more real time travel information for drivers.

## PROGRAM 3 PERFORMANCE MEASURE

PROGRAM 3: State Highway Facilities  
 GOAL: Develop, rehabilitate, and preserve Wisconsin’s state highway system in a cost-effective manner through the use of tested techniques to ensure roads and bridges continue providing service  
 ACTIVITY: State highway development, renovation, and rehabilitation  
 OBJECTIVE: Improve construction and design efficiency as measured by the Wisconsin Department of Transportation’s Design on Time Index, Engineering Estimate Accuracy and Product Quality Index  
 OUTCOME MEASURE: The annual difference between the projected and actual values of each index

DESCRIPTION OF ACTIVITY: The Department has developed several performance indicators designed to measure the quality and timeliness of highway design and construction. These performance measures include:

- Design on Time Index (DTI): measures the ability to deliver projects in the program within the fiscal year that they are scheduled.
- Design on Budget Index (DBI): measures the ability to estimate project award costs and to deliver project designs that are at or near estimated costs. The purpose of this measure is to eliminate large changes in the project cost estimate during the last year of project design. This measure is no longer being used and has been replaced by Engineering Estimate Accuracy.
- Engineering Estimate Accuracy (EEA): measures how close the Department’s construction cost estimates are to the actual low bid price for each contract and calculates the percent of contracts bid within 10 percent of the construction cost estimates.
- Product Quality Index (PQI): indicates the constructability of project plans and the maintainability of the resulting facility. The measure is a combined analysis of the Design Quality Index (DQI) and Construction Quality Index (CQI). The DQI is determined when a project is recorded as completed. The CQI measures the maintainability of a project, taken approximately six months after construction is complete. The CQI is no longer being used.

The table below displays the goal and actual performance of the DTI, DBI, and PQI from 2005 to 2010.

| FY   | Design on Time Index |        | Design on Budget Index |        | Product Quality Index |        |      |        |
|------|----------------------|--------|------------------------|--------|-----------------------|--------|------|--------|
|      | Goal                 | Actual | Goal                   | Actual | DQI                   |        | CQI  |        |
|      |                      |        |                        |        | Goal                  | Actual | Goal | Actual |
| 2005 | 80%                  | 87.3%  | 80%                    | 81.5%  | 80%                   | 82.8%  | 90%  | 93.6%  |
| 2006 | 83%                  | 92.1%  | 80%                    | 85.5%  | 80%                   | 79.7%  | N/A  | N/A    |
| 2007 | 85%                  | 81%    | 80%                    | 81.3%  | 80%                   | 77.3%  | N/A  | N/A    |
| 2008 | 85%                  | 86.5%  | 82%                    | 81%    | 80%                   | 77.5%  | N/A  | N/A    |
| 2009 | 85%                  | 87%    | 82%                    | 76%    | 80%                   | 76%    | N/A  | N/A    |
| 2010 | 85%                  | 89%    | 82%                    | 77%    | 80%                   | 81%    | N/A  | N/A    |

Source: Division of Transportation System Development Management Information for the Improvement Program

A new table has been created to show goal and actual performance of DTI, EEA and DQI from 2011 on as this is the year EEA replaced DBI and EEA has a different methodology and goal for gathering this information.

| FY   | Design on Time Index |        | Engineering Estimate Accuracy |        | Design Quality Index |        |
|------|----------------------|--------|-------------------------------|--------|----------------------|--------|
|      |                      |        |                               |        | DQI                  |        |
|      | Goal                 | Actual | Goal                          | Actual | Goal                 | Actual |
| 2011 | 85%                  | 89.5%  | 50%                           | 38%    | 80%                  | 78.6%  |
| 2012 | 80%                  | 88.6%  | 50%                           | 47%    | 80%                  | 78.0%  |
| 2013 | 85%                  | 79.0%  | 60%                           | 45%    | 80%                  | 80.1%  |
| 2014 | 85%                  | 80.4%  | 60%                           | 48%    | 80%                  | 81.7%  |

*Source: Division of Transportation System Development Management Information for the Improvement Program*

**ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:**  
 For FY 15, amounts appropriated for state highway facilities (not including highway maintenance and traffic operations, lift-bridge operations, and highway administration and planning) are \$484.6 million SEG, \$2.0 million LOCAL, \$575.4 million FED, \$202.3 million REV BOND, and \$200 million GO BOND.

**RELATED DECISION ITEM(S):** 5301, 5302

**PLANNED PROGRESS TOWARD OBJECTIVE:**

The Department has set up a performance management system and an active management oversight process to proactively review results and keep projects on track for delivery of goals. Analysis and improvement teams have been put together to review, analyze results, recommend and implement action items.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** The design of a project is affected by environmental issues, ability to move utilities and purchasing real estate.

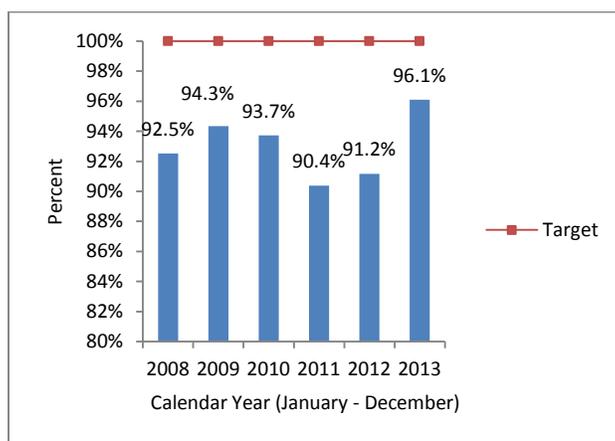
**USE OF OUTCOME MEASURES IN PROGRAMMING:** These performance indicators are part of a larger group of corporate performance measures developed to cover –design phases of the highway construction process. Goals are set and actual performance is tracked annually. If performance in a certain area falls below the set goal, the Department implements policy changes and/or changes its processes to improve performance.

## PROGRAM 3 PERFORMANCE MEASURE

**PROGRAM 3:** State Highway Facilities  
**GOAL:** Develop, rehabilitate and preserve Wisconsin's state highway system in a cost-effective manner through the use of tested techniques to ensure roads and bridges continue providing service  
**ACTIVITY:** State highway development, renovation and rehabilitation  
**OBJECTIVE:** Meet project time frame specified in construction contracts 100 percent of the time  
**OUTCOME MEASURE:** Percentage highway projects completed on time

**DESCRIPTION OF ACTIVITY:** This measure indicates the department's ability to estimate and manage the amount of time it will take to complete a highway construction project. This measure reports the percent of construction projects that were completed within the project time frame specified. The numbers are calculated by identifying construction projects that had work completed during the calendar year and then comparing the actual date/days the project took to complete with the date/days that were specified in the contract.

**Percent of Highway Projects Completed On Time**



**ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:** For FY 15, amounts appropriated for the state highway program are \$746.7 million SEG, \$576.6 million FED, \$3.9 million LOCAL, \$200.0 million GO BOND and \$202.3 million REV BOND. This includes all funds totals of \$807.6 million for State Highway Rehabilitation, \$367.8 million for Major Highways, \$286.0 million for Southeast Mega Projects, \$258.1 million for maintenance and traffic operations, and \$10.0 million for standalone intelligent transportation system and traffic control signal projects. The total amount contracted is included in these amounts.

**RELATED DECISION ITEM(S):** 5301, 5302, 5306, 5307

**PLANNED PROGRESS TOWARD OBJECTIVE:** The percent of construction projects completed on time increased nearly five percent from 91.2 percent in 2012 to 96.1 percent in 2013. Construction administration staff have improved project communication to minimize contract problems and keep the contract on time. The Department is working with the utility industry to get better facility location information on plans. This will help prevent unknown utilities from causing delays. Overall, the Department lets larger and more complex construction contracts out for bid in the fall or early winter prior to the anticipated construction year. This ensures contractors have adequate time to schedule the resources and staffing needed to complete the project in the desired period.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** Factors affecting this measure include adverse weather, plan changes during construction, material delays or shortages, utility work delays and contractor scheduling. The on time performance is also affected by the quality and completeness of project designs.

**USE OF OUTCOME MEASURES IN PROGRAMMING:** The better the Department is at determining project time, the more effectively the Department can schedule future projects to effectively utilize contractor resources. The general public and businesses are impacted by construction projects. When the Department adheres to a schedule, affected businesses and the general public can better plan for the impacts.

## PROGRAM 3 PERFORMANCE MEASURE

**PROGRAM 3:** State Highway Facilities  
**GOAL:** Develop, rehabilitate, and preserve Wisconsin’s state highway system in a cost-effective manner through the use of tested techniques to ensure roads and bridges continue providing service  
**ACTIVITY:** State highway rehabilitation  
**OBJECTIVE:** Decrease the average annual International Roughness Index (IRI) value and increase the Pavement Condition Index (PCI) value for the state highway system. (Previously, increase IRI and reduce the average annual Pavement Distress Index (PDI) value for the state highway system.)  
**OUTCOME MEASURE:** Average annual IRI and PDI/PCI values

**DESCRIPTION OF ACTIVITY:** The Department uses the International Roughness Index (IRI) for measuring the quality of ride on pavements. The IRI measures the cumulative deviation from a smooth surface in m/km. These measurements are then presented based on the qualitative terms “very good,” “good,” “fair,” “mediocre,” and “poor.” IRI condition categories (m/km) for interstate facilities are as follows: very good — less than 0.95 m/km; good — from 0.95 to 1.48 m/km; fair — from 1.49 to 1.88 m/km; mediocre — from 1.89 to 2.68 m/km; and poor — greater than 2.68 m/km. The Federal Highway Administration (FHWA) regards pavements with IRI values below 2.68 m/km as acceptable; pavements with values greater than 2.68 m/km are considered unacceptable. Interstate facilities have stricter IRI value ranges than other facilities.

In addition, the Department collects data on observable distress in pavements. The distress survey includes problems such as cracking, distortion, faulting, etc. Prior to 2011, observations on distress were brought together in a single measure — the Pavement Distress Index (PDI). PDI values range from 0 (no distress) to 100 (most distress). Beginning in the year 2011, the Department transitioned to measuring and reporting observable distress using the Pavement Condition Index (PCI). PCI is based on a visual survey of the pavement and a numerical value between 0 and 100 defines the condition with 100 representing an excellent pavement.

It should be noted that since IRI values are based on objective measurements of pavement roughness, and PDI/PCI values are a more subjective evaluation of a broader range of pavement characteristics, the pavement condition category of any specific section of pavement can vary depending on the rating methodology.

| YEAR | AVERAGE ANNUAL IRI | AVERAGE ANNUAL PDI |
|------|--------------------|--------------------|
| 2004 | 1.82 <sup>1</sup>  | 29 <sup>1</sup>    |
| 2005 | 1.81 <sup>1</sup>  | 28 <sup>1</sup>    |
| 2006 | 1.81 <sup>1</sup>  | 28 <sup>1</sup>    |
| 2007 | 1.82 <sup>1</sup>  | 29 <sup>1</sup>    |
| 2008 | 1.81 <sup>1</sup>  | 27 <sup>1</sup>    |
| 2009 | 1.85 <sup>1</sup>  | 29 <sup>1</sup>    |
| 2010 | 1.86 <sup>1</sup>  | 31 <sup>1</sup>    |

<sup>1</sup> Variations due to changes in technology and departmental measurement procedures should be considered when comparing IRI or PDI between years prior to and after 2000. For example, IRI measuring equipment changes in 2000 caused a 0.35 m/km roughness reduction, on average, and PDI inspection and calculation changes in 2000-2002 caused some variation in calculated PDI values.

| YEAR | AVERAGE ANNUAL IRI | AVERAGE ANNUAL PCI |
|------|--------------------|--------------------|
| 2011 | 1.731 <sup>1</sup> | 78.1               |
| 2012 | 1.79               | 77.4               |
| 2013 | 1.74               | 77.4               |

<sup>1</sup> Variations due to changes in technology and departmental measurement procedures should be considered when comparing IRI or PDI between years prior to and after 2000. For example, IRI measuring equipment changes in 2000 caused a 0.35 m/km roughness reduction, on average, and PDI inspection and calculation changes in 2000-2002 caused some variation in calculated PDI values.

**ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:**

For FY 15, amounts appropriated for state highway rehabilitation (not including Southeast Wisconsin Freeway activity) are \$386.42 million SEG, \$2 million LOCAL, \$419.1 million FED.

RELATED DECISION ITEM(S): 5302

**PLANNED PROGRESS TOWARD OBJECTIVE:** The Department's goal is to maintain existing system condition levels. Condition improvement targets can be established once the new budget levels are known.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** There are several external factors affecting pavement condition, including weather, truck loading, contractor quality control, and the quality of materials used in construction.

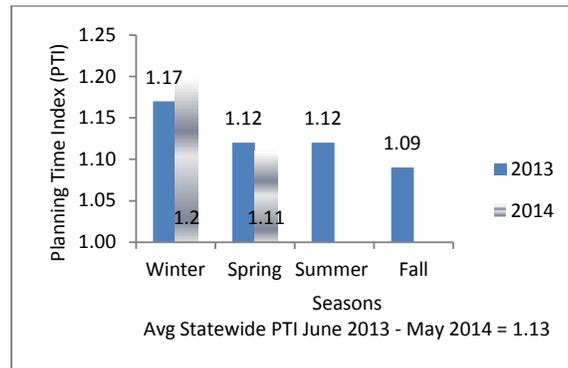
**USE OF OUTCOME MEASURES IN PROGRAMMING:** IRI and PDI/PCI are assessed for each mile of the State Trunk Highway system. Half of the system is assessed each year. The latest available assessments are projected forward using deterioration rates that reflect experience with different pavement types. Projected conditions are compared to benchmarks. If the projected conditions are below the benchmark, pavement sections are strongly considered for placement in the improvement program. Department regions are provided with information on current and projected conditions for all pavement sections and information on which sections are expected to be below thresholds within the next several years. This information provides input to regional program development activities. In developing a specific program, regions must consider safety, geometry, congestion, and other local factors in addition to projected pavement conditions.

## PROGRAM 3 PERFORMANCE MEASURE

|                  |  |
|------------------|--|
| PROGRAM 3:       | State Highway Facilities   |
| GOAL:            | Develop, rehabilitate and preserve Wisconsin's state highway system in a cost-effective manner through the use of tested techniques to ensure roads and bridges continue providing service |
| ACTIVITY:        | State highway development, renovation and rehabilitation   |
| OBJECTIVE:       | Improve (reduce) the Planning Time Index value, a measure of travel reliability, as compared with value from the same period of the prior year   |
| OUTCOME MEASURE: | Reliability (Planning Time Index)  |

**DESCRIPTION OF ACTIVITY:** Travelers expect to arrive safely and on-time at their destination. Their confidence level and certainty of an on-time arrival are intuitive measures of transportation system reliability. The Planning Time Index (PTI) expresses that same value in a mathematical term that helps travelers more precisely budget travel time and helps transportation planners better measure system performance. The PTI is calculated from two basic measures: travel time at the posted speed limits and 95th percentile travel time. The 95th percentile travel time marks the most extreme travel delay in a period (the worst of 20 trips). The ratio of these two measures constitutes the index. This measure is represented by direction and by weekday, non-holiday peak periods. A PTI of 1.5 means that for a 20 minute trip, you will complete your trip in 30 minutes ( $20 \times 1.5=30$ ) or less than 95 percent of the time. Travel time information for this measure was acquired from a Federal Highway Administration-sponsored national data set.

### Statewide Reliability Index for Wisconsin Interstate Corridors



#### ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:

For FY 15, amounts appropriated for the state highway program are \$746.7 million SEG, \$576.6 million FED, \$3.9 million LOCAL, \$200.0 million GO BOND and \$202.3 million REV BOND. This includes all funds totals of \$807.6 million for State Highway Rehabilitation, \$367.8 million for Major Highways, \$286.0 million for Southeast Mega Projects, \$258.1 million for maintenance and traffic operations, and \$10.0 million for standalone intelligent transportation system and traffic control signal projects. Improving reliability (reducing the Planning Time Index) is one activity funded through these amounts.

RELATED DECISION ITEM(S): 5301, 5302, 5306, 5307

**PLANNED PROGRESS TOWARD OBJECTIVE:** Reliability (PTI) is reported quarterly and is based on data gathered from each reported corridor and urban segment. The PTI improved in the spring quarter of 2014, resulting in an improvement of 0.89 percent in the statewide travel time reliability as compared to the spring quarter of 2013.

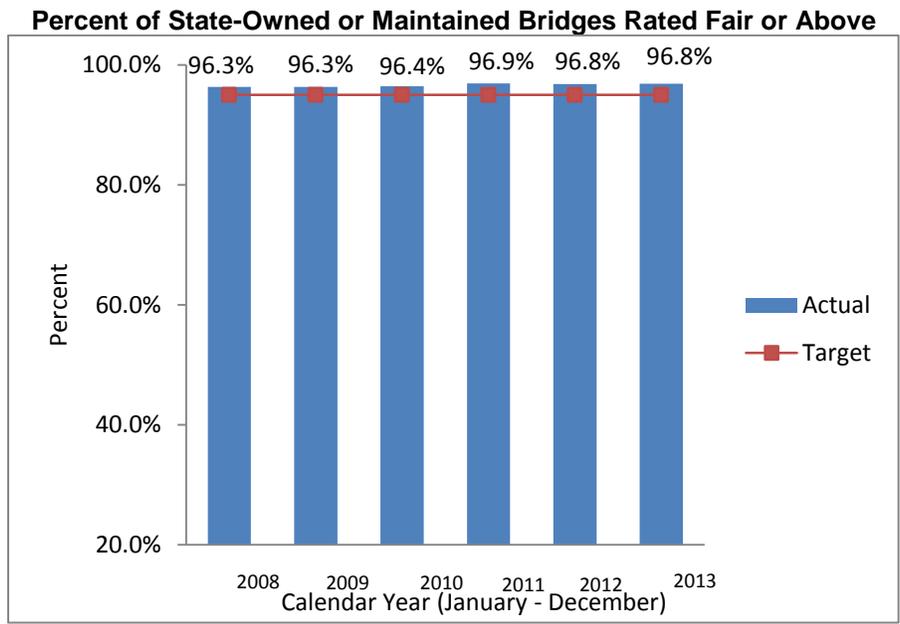
**EXTERNAL FACTORS AFFECTING OUTCOMES:** Travel reliability measures variability of congestion. A wide variation in the recorded travel time indicates low reliability and a high planning time index. Traffic incidents, weather conditions, special events, holiday travel, sporadic demands and work zones are all dynamic components of traffic congestion that may adversely affect travel time reliability. Reducing or mitigating the impact of these factors serves to improve travel time reliability.

**USE OF OUTCOME MEASURES IN PROGRAMMING:** The Department's Traffic Operations Performance Management System uses the travel time data to develop strategies that will reduce traffic congestion and improve travel time reliability. These include improved management of traffic incidents, traffic signal systems, ramp meters and vehicle detection capability that provides travel times for Wisconsin drivers.

## PROGRAM 3 PERFORMANCE MEASURE

PROGRAM 3: State Highway Facilities  
 GOAL: Develop, rehabilitate and preserve Wisconsin's state highway system in a cost-effective manner through the use of tested techniques to ensure roads and bridges continue providing service  
 ACTIVITY: State highway bridge development, preservation and rehabilitation  
 OBJECTIVE: Continue to maintain 95% or more of state-owned or maintained bridges as rated fair condition or better  
 OUTCOME MEASURE: Percentage of state-owned or maintained bridges that are rated in fair condition or better

DESCRIPTION OF ACTIVITY: The Department performs biennial safety inspections and condition assessments of bridges. This is the designated frequency in the National Bridge Inspection Standards. Through these inspections, condition rating data is collected for the deck, superstructure and substructure and an overall rating of good, fair or poor condition is assigned each calendar year. The Department works to allocate the resources it has available to meet the safety and mobility needs of the state. Currently 96.8 percent of Wisconsin's 5,217 state owned or maintained bridges have a good rating or fair rating, while 3.2 percent of the state bridges have a poor condition rating. There are 57 state-owned bridges with weight restrictions. The yearly data below shows that Wisconsin has been consistently maintaining its good/fair bridge percentage over the past six years. The state highway system network accounts for 10 percent of the total mileage in Wisconsin, yet handles 60 percent of the total vehicle miles traveled.



ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT: For FY 15, amounts appropriated for state highway facilities are \$481.6 million SEG, \$575.4 million FED, \$2.0 million LOCAL, \$200.0 million GO BOND and \$202.3 million REV BOND. This includes all funds totals of \$807.6 million for State Highway Rehabilitation, \$367.8 million for Major Highways, and \$286.0 million for Southeast Mega Projects. State highway bridge development, preservation and rehabilitation are activities funded through these amounts.

RELATED DECISION ITEM(S): 5301, 5302

**PLANNED PROGRESS TOWARD OBJECTIVE:** The Department continues to make deficient state bridges a priority. At current funding levels, the Department expects to continue to maintain its goal of 95 percent of state-owned or maintained bridges as rated in fair or good condition over the next biennium.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** The most significant external factor is the potential for increased construction costs and the availability of state and federal resources to fund bridge rehabilitation and reconstruction. Increased costs for projects already scheduled in FYs 16 and 17 may reduce the purchasing power of available federal and state funds used to replace the backlog of deficient bridges over the next biennium.

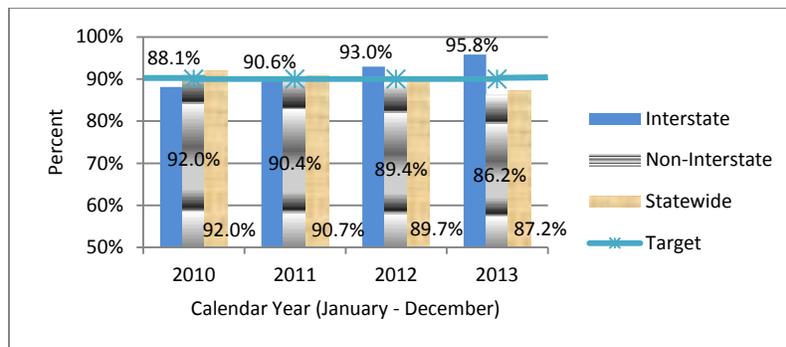
**USE OF OUTCOME MEASURES IN PROGRAMMING:** Wisconsin bridges are critical infrastructure assets of the highway transportation network. Ensuring safety for the traveling public is a top priority for the department. Inspecting and evaluating bridges is a key component of meeting this objective. Bridges with a condition rating of poor are considered deficient and may need corrective action to ensure current and future operation of the transportation system. An accurate understanding of the condition of the inventory of bridges allows for planning and prioritizing limited resources to address operational needs. These inspections provide bridge component level assessments which are used in determining the appropriate preservation or rehabilitation treatment to extend the assets useful service life. The programming incorporates risk, deterioration curves, preservation policy and freight mobility objectives.

## PROGRAM 3 PERFORMANCE MEASURE

PROGRAM 3: State Highway Facilities  
 GOAL: Develop, rehabilitate, and preserve Wisconsin’s state highway system in a cost-effective manner through the use of tested techniques to ensure roads and bridges continue providing service  
 ACTIVITY: State highway rehabilitation  
 OBJECTIVE: Ninety percent of state highway pavements rated fair or above  
 OUTCOME MEASURE: Percent of statewide highway pavement rated fair or above

DESCRIPTION OF ACTIVITY: The nearly 12,000 miles of state highway in Wisconsin support 60 percent of vehicle miles traveled. When pavement is in good condition, it promotes the safe and efficient movement of people and products throughout the state. Comprehensive pavement condition data is necessary to determine the most cost-effective maintenance and improvement strategies that extend the life and serviceability of the state highway system. The Pavement Condition Index (PCI) method is used for rating pavement condition based on visual signs of pavement distress, such as cracks, ruts and potholes. The PCI is a numerical rating that ranges from 0 to 100, with 100 being pavement in excellent condition. Several enhancements were made to the PCI calculation, where data is now being collected and analyzed in both the cardinal and non-cardinal direction on non-divided highways. Improved methodology for measuring rutting on asphalt pavements was adopted, enabling the identification of rutting quantities that would have previously gone undetected.

**Percent of State Highway Pavement Rated Fair or Above**



ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT: For FY 15, amounts appropriated for state highway facilities are \$481.6 million SEG, \$575.4 million FED, \$2.0 million LOCAL, \$200.0 million GO BOND and \$202.3 million REV BOND. This includes all funds totals of \$807.6 million for State Highway Rehabilitation, \$367.8 million for Major Highways, and \$286.0 million for Southeast Mega Projects. The maintenance of statewide highway pavement is one activity funded through these amounts.

RELATED DECISION ITEM(S): 5301, 5302

PLANNED PROGRESS TOWARD OBJECTIVE: The 2013 data shows 87.2 percent of the system in fair or above condition. Please note that the annual percent of Interstate highways rated fair or above has typically been higher than non-Interstate highways. This trend is expected to continue as Interstate pavement needs are prioritized given their importance to overall system function. Interstate highways represent only six percent of state highway miles, yet Wisconsin’s Interstate system, including USH-41, carries 30 percent of the traffic and approximately 70 percent of the freight tonnage and freight value traversing Wisconsin’s state highways. Without significantly increased investments, Wisconsin’s pavement will continue to deteriorate as more costly improvements associated with an aging system consume financial resources and disproportionately delay other needed rehabilitation projects.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** In 2013, some of the decrease in fair and above pavements is attributable to increased inspection density as well as increased rutting detection. More samples of the roadway were evaluated with an increased ability to identify pavement distress. The degree of investment in improvement programs from federal and state sources is a major factor affecting this performance measure. Pavement condition is also impacted by material quality, adequacy of pavement design, environmental factors such as temperature and moisture, traffic loading, improvement and maintenance history and pavement age. The Department considers all of these factors when using asset management tools and strategies to determine investment levels and fully utilize the state highway improvement funding provided through the state budget.

**USE OF OUTCOME MEASURES IN PROGRAMMING:** PCI is assessed for each mile of the State Trunk Highway system. Half of the system is assessed each year. The latest available assessments are projected forward using deterioration rates that reflect experience with different pavement types. Projected conditions are compared to benchmarks. If the projected conditions are below the benchmark, pavement sections are strongly considered for placement in the improvement program. Department regions are provided with information on current and projected conditions for all pavement sections and information on which sections are expected to be below thresholds within the next several years. This information provides input to regional program development activities. In developing a specific program, regions must consider safety, geometry, congestion and other local factors in addition to projected pavement conditions.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 01 SE WI FREEWAY MEGAPROJECTS  
NA 374 SOUTHEAST WISC FREEWAY MEGAPROJECTS, STATE FUNDS  
ALPH SOUTHEAST WISC FREEWAY MEGAPROJECTS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |               |
|-------------------|-----------------------------|------------------|---------------|---------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS | 7,683,000.00     | 7,683,000.00  | 15,366,000.00 |
| 16                | DELIVERY CHARGES/CREDITS    | 369,200.00       | 369,200.00    | 738,400.00    |
| 17                | TOTAL COST                  | 8,052,200.00     | 8,052,200.00  | 16,104,400.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                          |                |                    |                     |             |
|-------------------|--------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03              | SUBPROGRAM: 01 | APPROPRIATION: 374 | DECISION ITEM: 3001 |             |
| EXPENDITURE ITEMS |                          |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 16                | DELIVERY CHARGES/CREDITS |                | 63,600.00-         | 63,600.00-          | 127,200.00- |
| 17                | TOTAL COST               |                | 63,600.00-         | 63,600.00-          | 127,200.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 01 | APPROPRIATION: 374 | DECISION ITEM: 3003 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 99,500.00          | 99,500.00           | 199,000.00 |
| 17              | TOTAL COST               |                | 99,500.00          | 99,500.00           | 199,000.00 |

**DIN 3007: OVERTIME**

|                 |                          |                |                    |                     |           |
|-----------------|--------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 01 | APPROPRIATION: 374 | DECISION ITEM: 3007 |           |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 16              | DELIVERY CHARGES/CREDITS |                | 37,100.00          | 37,100.00           | 74,200.00 |
| 17              | TOTAL COST               |                | 37,100.00          | 37,100.00           | 74,200.00 |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                 |                          |                |                    |                     |          |
|-----------------|--------------------------|----------------|--------------------|---------------------|----------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 01 | APPROPRIATION: 374 | DECISION ITEM: 3008 |          |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL    |
| 16              | DELIVERY CHARGES/CREDITS |                | 500.00             | 500.00              | 1,000.00 |
| 17              | TOTAL COST               |                | 500.00             | 500.00              | 1,000.00 |

**DIN 5301: SOUTHEAST WISCONSIN FREEWAY MEGAPROJECTS**

|                 |                             |                |                    |                     |                |
|-----------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 01 | APPROPRIATION: 374 | DECISION ITEM: 5301 |                |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 184,805,600.00     | 82,045,700.00       | 266,851,300.00 |
| 16              | DELIVERY CHARGES/CREDITS    |                | 5,715,600.00       | 2,537,500.00        | 8,253,100.00   |
| 17              | TOTAL COST                  |                | 190,521,200.00     | 84,583,200.00       | 275,104,400.00 |

**See Decision Item 5301-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 01 SE WI FREEWAY MEGAPROJECTS  
NA 378 SOUTHEAST WISC FREEWAY MEGAPROJECTS, FEDERAL FUNDS  
ALPH SOUTHEAST WISC FREEWAY MEGAPROJECTS, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |                |
|-------------------|-----------------------------|------------------|---------------|----------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS | 75,704,500.00    | 75,704,500.00 | 151,409,000.00 |
| 16                | DELIVERY CHARGES/CREDITS    | 2,348,600.00     | 2,348,600.00  | 4,697,200.00   |
| 17                | TOTAL COST                  | 78,053,100.00    | 78,053,100.00 | 156,106,200.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 01 | APPROPRIATION: 378 | DECISION ITEM: 3001 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 101,100.00         | 101,100.00          | 202,200.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 101,100.00-        | 101,100.00-         | 202,200.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 01 | APPROPRIATION: 378 | DECISION ITEM: 3003 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 158,100.00-        | 158,100.00-         | 316,200.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 158,100.00         | 158,100.00          | 316,200.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3007: OVERTIME**

|                                |             |                |                    |                     |             |
|--------------------------------|-------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395                | PROGRAM: 03 | SUBPROGRAM: 01 | APPROPRIATION: 378 | DECISION ITEM: 3007 |             |
| EXPENDITURE ITEMS              |             |                |                    |                     | TOTAL       |
| 15 MAJOR COSTS CHARGES/CREDITS |             |                | 1ST YEAR COST      | 2ND YEAR COST       |             |
|                                |             |                | 59,000.00-         | 59,000.00-          | 118,000.00- |
| 16 DELIVERY CHARGES/CREDITS    |             |                | 59,000.00          | 59,000.00           | 118,000.00  |
| 17 TOTAL COST                  |             |                | .00                | .00                 | .00         |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 01 | APPROPRIATION: 378 | DECISION ITEM: 3008 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 800.00-            | 800.00-             | 1,600.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 800.00             | 800.00              | 1,600.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 5301: SOUTHEAST WISCONSIN FREEWAY MEGAPROJECTS**

|                                |             |                |                    |                     |  |
|--------------------------------|-------------|----------------|--------------------|---------------------|--|
| DEPARTMENT: 395                | PROGRAM: 03 | SUBPROGRAM: 01 | APPROPRIATION: 378 | DECISION ITEM: 5301 |  |
| EXPENDITURE ITEMS              |             | 1ST YEAR COST  | 2ND YEAR COST      | TOTAL               |  |
| 15 MAJOR COSTS CHARGES/CREDITS |             | .00            | 62,310,900.00      | 62,310,900.00       |  |
| 16 DELIVERY CHARGES/CREDITS    |             | .00            | 1,927,100.00       | 1,927,100.00        |  |
| 17 TOTAL COST                  |             | .00            | 64,238,000.00      | 64,238,000.00       |  |

**See Decision Item 5301-Appropriation 961 for an explanation.**

**DIN 5301: SOUTHEAST WISCONSIN FREEWAY MEGAPROJECTS**

|                 |                             |                |                    |                     |                |
|-----------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 01 | APPROPRIATION: 391 | DECISION ITEM: 5301 |                |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 160,050,000.00     | 111,550,000.00      | 271,600,000.00 |
| 16              | DELIVERY CHARGES/CREDITS    |                | 4,950,000.00       | 3,450,000.00        | 8,400,000.00   |
| 17              | TOTAL COST                  |                | 165,000,000.00     | 115,000,000.00      | 280,000,000.00 |

**See Decision Item 5301-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 02 MAJOR HIGHWAY DEVELOPMENT  
NA 362 MAJOR HIGHWAY DEVELOPMENT, STATE FUNDS  
ALPH BQ MAJOR HIGHWAY DEVELOPMENT, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |                |
|-------------------|-----------------------------|------------------|---------------|----------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS | 80,614,100.00    | 80,614,100.00 | 161,228,200.00 |
| 16                | DELIVERY CHARGES/CREDITS    | 6,760,900.00     | 6,760,900.00  | 13,521,800.00  |
| 17                | TOTAL COST                  | 87,375,000.00    | 87,375,000.00 | 174,750,000.00 |

**DIN 3001: TURNOVER REDUCTION**

|                 |                          |                |                    |                     |             |
|-----------------|--------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 02 | APPROPRIATION: 362 | DECISION ITEM: 3001 |             |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 16              | DELIVERY CHARGES/CREDITS |                | 64,700.00-         | 64,700.00-          | 129,400.00- |
| 17              | TOTAL COST               |                | 64,700.00-         | 64,700.00-          | 129,400.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 02 | APPROPRIATION: 362 | DECISION ITEM: 3003 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 101,300.00         | 101,300.00          | 202,600.00 |
| 17              | TOTAL COST               |                | 101,300.00         | 101,300.00          | 202,600.00 |

**DIN 3007: OVERTIME**

|                 |                          |                |                    |                     |           |
|-----------------|--------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 02 | APPROPRIATION: 362 | DECISION ITEM: 3007 |           |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 16              | DELIVERY CHARGES/CREDITS |                | 37,800.00          | 37,800.00           | 75,600.00 |
| 17              | TOTAL COST               |                | 37,800.00          | 37,800.00           | 75,600.00 |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                 |                          |                |                    |                     |          |
|-----------------|--------------------------|----------------|--------------------|---------------------|----------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 02 | APPROPRIATION: 362 | DECISION ITEM: 3008 |          |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL    |
| 16              | DELIVERY CHARGES/CREDITS |                | 500.00             | 500.00              | 1,000.00 |
| 17              | TOTAL COST               |                | 500.00             | 500.00              | 1,000.00 |

**DIN 5302: HIGHWAY PROGRAM FUNDING**

|                 |                             |                |                    |                     |                |
|-----------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 02 | APPROPRIATION: 362 | DECISION ITEM: 5302 |                |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 9,700,000.00-      | 9,700,000.00-       | 19,400,000.00- |
| 16              | DELIVERY CHARGES/CREDITS    |                | 300,000.00-        | 300,000.00-         | 600,000.00-    |
| 17              | TOTAL COST                  |                | 10,000,000.00-     | 10,000,000.00-      | 20,000,000.00- |

**See Decision Item 5302-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 02 MAJOR HIGHWAY DEVELOPMENT  
NA 382 MAJOR HIGHWAY DEVELOPMENT, FEDERAL FUNDS  
ALPH BX MAJOR HIGHWAY DEVELOPMENT, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |                |
|-------------------|-----------------------------|------------------|---------------|----------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS | 70,612,100.00    | 70,612,100.00 | 141,224,200.00 |
| 16                | DELIVERY CHARGES/CREDITS    | 7,651,400.00     | 7,651,400.00  | 15,302,800.00  |
| 17                | TOTAL COST                  | 78,263,500.00    | 78,263,500.00 | 156,527,000.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 02 | APPROPRIATION: 382 | DECISION ITEM: 3001 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 59,400.00          | 59,400.00           | 118,800.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 59,400.00-         | 59,400.00-          | 118,800.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 02 | APPROPRIATION: 382 | DECISION ITEM: 3003 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 92,900.00-         | 92,900.00-          | 185,800.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 92,900.00          | 92,900.00           | 185,800.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3007: OVERTIME**

|                                |             |                |                    |                     |            |
|--------------------------------|-------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395                | PROGRAM: 03 | SUBPROGRAM: 02 | APPROPRIATION: 382 | DECISION ITEM: 3007 |            |
| EXPENDITURE ITEMS              |             |                |                    |                     | TOTAL      |
| 15 MAJOR COSTS CHARGES/CREDITS |             |                | 1ST YEAR COST      | 2ND YEAR COST       |            |
|                                |             |                | 34,600.00-         | 34,600.00-          | 69,200.00- |
| 16 DELIVERY CHARGES/CREDITS    |             |                | 34,600.00          | 34,600.00           | 69,200.00  |
| 17 TOTAL COST                  |             |                | .00                | .00                 | .00        |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 02 | APPROPRIATION: 382 | DECISION ITEM: 3008 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 500.00-            | 500.00-             | 1,000.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 500.00             | 500.00              | 1,000.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 5302: HIGHWAY PROGRAM FUNDING**

|                 |                             |                |                    |                     |                |
|-----------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 02 | APPROPRIATION: 382 | DECISION ITEM: 5302 |                |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 58,200,000.00      | 58,200,000.00       | 116,400,000.00 |
| 16              | DELIVERY CHARGES/CREDITS    |                | 1,800,000.00       | 1,800,000.00        | 3,600,000.00   |
| 17              | TOTAL COST                  |                | 60,000,000.00      | 60,000,000.00       | 120,000,000.00 |

**See Decision Item 5302-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 02 MAJOR HIGHWAY DEVELOPMENT  
NA 392 MAJOR HIGHWAY DEVELOPMENT, SERVICE FUNDS  
ALPH BR MAJOR HIGHWAY DEVELOPMENT, SERVICE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |                |                |
|-------------------|-----------------------------|------------------|----------------|----------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST  | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS | 196,807,300.00   | 196,807,300.00 | 393,614,600.00 |
| 16                | DELIVERY CHARGES/CREDITS    | 5,508,700.00     | 5,508,700.00   | 11,017,400.00  |
| 17                | TOTAL COST                  | 202,316,000.00   | 202,316,000.00 | 404,632,000.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 02 | APPROPRIATION: 392 | DECISION ITEM: 3001 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 134,300.00         | 134,300.00          | 268,600.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 134,300.00-        | 134,300.00-         | 268,600.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 02 | APPROPRIATION: 392 | DECISION ITEM: 3003 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 210,100.00-        | 210,100.00-         | 420,200.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 210,100.00         | 210,100.00          | 420,200.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3007: OVERTIME**

|                                |             |                |                    |                     |             |
|--------------------------------|-------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395                | PROGRAM: 03 | SUBPROGRAM: 02 | APPROPRIATION: 392 | DECISION ITEM: 3007 |             |
| EXPENDITURE ITEMS              |             |                |                    |                     | TOTAL       |
| 15 MAJOR COSTS CHARGES/CREDITS |             |                | 1ST YEAR COST      | 2ND YEAR COST       |             |
|                                |             |                | 78,400.00-         | 78,400.00-          | 156,800.00- |
| 16 DELIVERY CHARGES/CREDITS    |             |                | 78,400.00          | 78,400.00           | 156,800.00  |
| 17 TOTAL COST                  |             |                | .00                | .00                 | .00         |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                                |             |                |                    |                     |  |
|--------------------------------|-------------|----------------|--------------------|---------------------|--|
| DEPARTMENT: 395                | PROGRAM: 03 | SUBPROGRAM: 02 | APPROPRIATION: 392 | DECISION ITEM: 3008 |  |
| EXPENDITURE ITEMS              |             | 1ST YEAR COST  | 2ND YEAR COST      | TOTAL               |  |
| 15 MAJOR COSTS CHARGES/CREDITS |             | 1,100.00-      | 1,100.00-          | 2,200.00-           |  |
| 16 DELIVERY CHARGES/CREDITS    |             | 1,100.00       | 1,100.00           | 2,200.00            |  |
| 17 TOTAL COST                  |             | .00            | .00                | .00                 |  |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 03 STATE HIGHWAY REHABILITATION  
NA 363 STATE HIGHWAY REHABILITATION, STATE FUNDS  
ALPH CQ STATE HIGHWAY REHABILITATION, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |                |                |
|-------------------|-----------------------------|------------------|----------------|----------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST  | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS | 350,149,200.00   | 350,149,200.00 | 700,298,400.00 |
| 16                | DELIVERY CHARGES/CREDITS    | 38,067,500.00    | 38,067,500.00  | 76,135,000.00  |
| 17                | TOTAL COST                  | 388,216,700.00   | 388,216,700.00 | 776,433,400.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                          |                |                    |                     |               |
|-------------------|--------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 03              | SUBPROGRAM: 03 | APPROPRIATION: 363 | DECISION ITEM: 3001 |               |
| EXPENDITURE ITEMS |                          |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 16                | DELIVERY CHARGES/CREDITS |                | 1,083,000.00-      | 1,083,000.00-       | 2,166,000.00- |
| 17                | TOTAL COST               |                | 1,083,000.00-      | 1,083,000.00-       | 2,166,000.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                          |                |                    |                     |              |
|-----------------|--------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 03 | APPROPRIATION: 363 | DECISION ITEM: 3003 |              |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 16              | DELIVERY CHARGES/CREDITS |                | 2,078,000.00       | 2,078,000.00        | 4,156,000.00 |
| 17              | TOTAL COST               |                | 2,078,000.00       | 2,078,000.00        | 4,156,000.00 |

**DIN 3007: OVERTIME**

|                 |                          |                |                    |                     |              |
|-----------------|--------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 03 | APPROPRIATION: 363 | DECISION ITEM: 3007 |              |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 16              | DELIVERY CHARGES/CREDITS |                | 523,500.00         | 523,500.00          | 1,047,000.00 |
| 17              | TOTAL COST               |                | 523,500.00         | 523,500.00          | 1,047,000.00 |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                 |                          |                |                    |                     |           |
|-----------------|--------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 03 | APPROPRIATION: 363 | DECISION ITEM: 3008 |           |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 16              | DELIVERY CHARGES/CREDITS |                | 8,900.00           | 8,900.00            | 17,800.00 |
| 17              | TOTAL COST               |                | 8,900.00           | 8,900.00            | 17,800.00 |

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                   |                             |                |                    |                     |                |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 363 | DECISION ITEM: 5202 |                |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | .00                | 26,587,300.00-      | 26,587,300.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | .00                | 822,300.00-         | 822,300.00-    |
| 17                | TOTAL COST                  |                | .00                | 27,409,600.00-      | 27,409,600.00- |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 5302: HIGHWAY PROGRAM FUNDING**

|                 |                             |                |                    |                     |                |
|-----------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 363 | DECISION ITEM: 5302 |                |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 106,700,000.00     | 231,830,000.00      | 338,530,000.00 |
| 16              | DELIVERY CHARGES/CREDITS    |                | 3,300,000.00       | 7,170,000.00        | 10,470,000.00  |
| 17              | TOTAL COST                  |                | 110,000,000.00     | 239,000,000.00      | 349,000,000.00 |

**See Decision Item 5302-Appropriation 961 for an explanation.**

**DIN 5303: BEST VALUE (CMCG) PILOT**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 03 | APPROPRIATION: 363 | DECISION ITEM: 5303 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 225,000.00         | 75,000.00           | 300,000.00 |
| 17              | TOTAL COST               |                | 225,000.00         | 75,000.00           | 300,000.00 |

**See Decision Item 5303-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 03 STATE HIGHWAY REHABILITATION  
NA 373 STATE HIGHWAY REHABILITATION, LOCAL FUNDS  
ALPH CV STATE HIGHWAY REHABILITATION, LOCAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS              | CHANGE AUTHOR 1A<br>1ST YEAR COST | 2ND YEAR COST | TOTAL        |
|--------------------------------|-----------------------------------|---------------|--------------|
| 15 MAJOR COSTS CHARGES/CREDITS | 572,600.00                        | 572,600.00    | 1,145,200.00 |
| 16 DELIVERY CHARGES/CREDITS    | 1,427,400.00                      | 1,427,400.00  | 2,854,800.00 |
| 17 TOTAL COST                  | 2,000,000.00                      | 2,000,000.00  | 4,000,000.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 373 | DECISION ITEM: 3001 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 59,200.00          | 59,200.00           | 118,400.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 59,200.00-         | 59,200.00-          | 118,400.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 373 | DECISION ITEM: 3003 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 92,500.00-         | 92,500.00-          | 185,000.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 92,500.00          | 92,500.00           | 185,000.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3007: OVERTIME**

|                                |             |                |                    |                     |            |
|--------------------------------|-------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395                | PROGRAM: 03 | SUBPROGRAM: 03 | APPROPRIATION: 373 | DECISION ITEM: 3007 |            |
| EXPENDITURE ITEMS              |             |                |                    |                     | TOTAL      |
| 15 MAJOR COSTS CHARGES/CREDITS |             |                | 1ST YEAR COST      | 2ND YEAR COST       |            |
|                                |             |                | 34,500.00-         | 34,500.00-          | 69,000.00- |
| 16 DELIVERY CHARGES/CREDITS    |             |                | 34,500.00          | 34,500.00           | 69,000.00  |
| 17 TOTAL COST                  |             |                | .00                | .00                 | .00        |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 373 | DECISION ITEM: 3008 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 500.00-            | 500.00-             | 1,000.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 500.00             | 500.00              | 1,000.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00       |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 03 STATE HIGHWAY REHABILITATION  
NA 383 STATE HIGHWAY REHABILITATION, FEDERAL FUNDS  
ALPH CX STATE HIGHWAY REHABILITATION, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |                |                |
|-------------------|-----------------------------|------------------|----------------|----------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST  | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS | 363,312,500.00   | 363,312,500.00 | 726,625,000.00 |
| 16                | DELIVERY CHARGES/CREDITS    | 55,819,700.00    | 55,819,700.00  | 111,639,400.00 |
| 17                | TOTAL COST                  | 419,132,200.00   | 419,132,200.00 | 838,264,400.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |               |
|-------------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 383 | DECISION ITEM: 3001 |               |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 786,800.00         | 786,800.00          | 1,573,600.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 786,800.00-        | 786,800.00-         | 1,573,600.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00           |

**DIN 3002: REMOVAL OF NONCONTINUING ELEMENTS FROM THE BASE**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 383 | DECISION ITEM: 3002 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 60,800.00          | 150,400.00          | 211,200.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 60,800.00-         | 150,400.00-         | 211,200.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                             |                |                    |                     |               |
|-----------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 383 | DECISION ITEM: 3003 |               |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 776,700.00-        | 776,700.00-         | 1,553,400.00- |
| 16              | DELIVERY CHARGES/CREDITS    |                | 776,700.00         | 776,700.00          | 1,553,400.00  |
| 17              | TOTAL COST                  |                | .00                | .00                 | .00           |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |               |
|-------------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 383 | DECISION ITEM: 3007 |               |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 606,900.00-        | 606,900.00-         | 1,213,800.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 606,900.00         | 606,900.00          | 1,213,800.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00           |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 383 | DECISION ITEM: 3008 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 7,500.00-          | 7,500.00-           | 15,000.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 7,500.00           | 7,500.00            | 15,000.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00        |

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                                |             |                |                    |                     |  |
|--------------------------------|-------------|----------------|--------------------|---------------------|--|
| DEPARTMENT: 395                | PROGRAM: 03 | SUBPROGRAM: 03 | APPROPRIATION: 383 | DECISION ITEM: 5202 |  |
| EXPENDITURE ITEMS              |             | 1ST YEAR COST  | 2ND YEAR COST      | TOTAL               |  |
| 15 MAJOR COSTS CHARGES/CREDITS |             | .00            | 26,587,300.00      | 26,587,300.00       |  |
| 16 DELIVERY CHARGES/CREDITS    |             | .00            | 822,300.00         | 822,300.00          |  |
| 17 TOTAL COST                  |             | .00            | 27,409,600.00      | 27,409,600.00       |  |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 5302: HIGHWAY PROGRAM FUNDING**

|                   |                             |                |                    |                     |                 |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 03 | APPROPRIATION: 383 | DECISION ITEM: 5302 |                 |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL           |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 61,110,000.00-     | 61,110,000.00-      | 122,220,000.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 1,890,000.00-      | 1,890,000.00-       | 3,780,000.00-   |
| 17                | TOTAL COST                  |                | 63,000,000.00-     | 63,000,000.00-      | 126,000,000.00- |

**See Decision Item 5302-Appropriation 961 for an explanation.**

**DIN 5304: HIGH-COST STATE BRIDGE RECONSTRUCTION**

|                 |                             |                |                    |                     |               |
|-----------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 04 | APPROPRIATION: 357 | DECISION ITEM: 5304 |               |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 15,326,000.00      | 970,000.00          | 16,296,000.00 |
| 16              | DELIVERY CHARGES/CREDITS    |                | 474,000.00         | 30,000.00           | 504,000.00    |
| 17              | TOTAL COST                  |                | 15,800,000.00      | 1,000,000.00        | 16,800,000.00 |

**See Decision Item 5304-Appropriation 961 for an explanation.**

**DIN 5305: MAJOR INTERSTATE BRIDGE CONSTRUCTION**

|                 |                             |                |                    |                     |               |
|-----------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 04 | APPROPRIATION: 367 | DECISION ITEM: 5305 |               |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 16,490,000.00      | 2,910,000.00        | 19,400,000.00 |
| 16              | DELIVERY CHARGES/CREDITS    |                | 510,000.00         | 90,000.00           | 600,000.00    |
| 17              | TOTAL COST                  |                | 17,000,000.00      | 3,000,000.00        | 20,000,000.00 |

**See Decision Item 5305-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 05 HWY MAINT, REPAIR & TRAFF OPER  
NA 352 ITS & TRAFFIC CONTROL SIGNALS, STATE FUNDS  
ALPH ET ITS & TRAFFIC CONTROL SIGNALS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                             | CHANGE AUTHOR 1A |               |               |
|-------------------|-----------------------------|------------------|---------------|---------------|
|                   |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS | 10,000,000.00    | 10,000,000.00 | 20,000,000.00 |
| 17                | TOTAL COST                  | 10,000,000.00    | 10,000,000.00 | 20,000,000.00 |

**DIN 5306: TRAFFIC SYSTEM MANAGEMENT AND OPERATIONS FUNDING**

|                   |                             |                |                    |                     |                |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 05 | APPROPRIATION: 352 | DECISION ITEM: 5306 |                |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 44,389,800.00      | 39,089,800.00       | 83,479,600.00  |
| 16                | DELIVERY CHARGES/CREDITS    |                | 18,176,600.00      | 18,176,600.00       | 36,353,200.00  |
| 17                | TOTAL COST                  |                | 62,566,400.00      | 57,266,400.00       | 119,832,800.00 |

**See Decision Item 5306-Appropriation 961 for an explanation.**

**DIN 5306: TRAFFIC SYSTEM MANAGEMENT AND OPERATIONS FUNDING**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 05 | APPROPRIATION: 354 | DECISION ITEM: 5306 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 460,700.00         | 460,700.00          | 921,400.00 |
| 16                | DELIVERY CHARGES/CREDITS    |                | 14,300.00          | 14,300.00           | 28,600.00  |
| 17                | TOTAL COST                  |                | 475,000.00         | 475,000.00          | 950,000.00 |

**See Decision Item 5306-Appropriation 961 for an explanation.**

**DIN 5302: HIGHWAY PROGRAM FUNDING**

|                 |                             |                |                    |                     |              |
|-----------------|-----------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 05 | APPROPRIATION: 356 | DECISION ITEM: 5302 |              |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 2,910,000.00       | 2,910,000.00        | 5,820,000.00 |
| 16              | DELIVERY CHARGES/CREDITS    |                | 90,000.00          | 90,000.00           | 180,000.00   |
| 17              | TOTAL COST                  |                | 3,000,000.00       | 3,000,000.00        | 6,000,000.00 |

**See Decision Item 5302-Appropriation 961 for an explanation.**

**DIN 5306: TRAFFIC SYSTEM MANAGEMENT AND OPERATIONS FUNDING**

|                   |                             |                |                    |                     |              |
|-------------------|-----------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 05 | APPROPRIATION: 356 | DECISION ITEM: 5306 |              |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 320,000.00         | 320,000.00          | 640,000.00   |
| 16                | DELIVERY CHARGES/CREDITS    |                | 782,500.00         | 782,500.00          | 1,565,000.00 |
| 17                | TOTAL COST                  |                | 1,102,500.00       | 1,102,500.00        | 2,205,000.00 |

**See Decision Item 5306-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 05 HWY MAINT, REPAIR & TRAFF OPER  
NA 365 HWY SYSTEM MANAGEMENT AND OPERATIONS, STATE FDS  
ALPH EQ HWY SYSTEM MANAGEMENT AND OPERATIONS, STATE FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|    |                             | CHANGE AUTHOR 1A |               |                |
|----|-----------------------------|------------------|---------------|----------------|
|    | EXPENDITURE ITEMS           | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 15 | MAJOR COSTS CHARGES/CREDITS | 52,009,700.00    | 52,009,700.00 | 104,019,400.00 |
| 16 | DELIVERY CHARGES/CREDITS    | 31,296,800.00    | 31,296,800.00 | 62,593,600.00  |
| 17 | TOTAL COST                  | 83,306,500.00    | 83,306,500.00 | 166,613,000.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                          |                |                    |                     |             |
|-------------------|--------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03              | SUBPROGRAM: 05 | APPROPRIATION: 365 | DECISION ITEM: 3001 |             |
| EXPENDITURE ITEMS |                          |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 16                | DELIVERY CHARGES/CREDITS |                | 256,900.00-        | 256,900.00-         | 513,800.00- |
| 17                | TOTAL COST               |                | 256,900.00-        | 256,900.00-         | 513,800.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 05 | APPROPRIATION: 365 | DECISION ITEM: 3003 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 401,900.00         | 401,900.00          | 803,800.00 |
| 17              | TOTAL COST               |                | 401,900.00         | 401,900.00          | 803,800.00 |

**DIN 3007: OVERTIME**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 05 | APPROPRIATION: 365 | DECISION ITEM: 3007 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 150,000.00         | 150,000.00          | 300,000.00 |
| 17              | TOTAL COST               |                | 150,000.00         | 150,000.00          | 300,000.00 |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                 |                          |                |                    |                     |          |
|-----------------|--------------------------|----------------|--------------------|---------------------|----------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 05 | APPROPRIATION: 365 | DECISION ITEM: 3008 |          |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL    |
| 16              | DELIVERY CHARGES/CREDITS |                | 2,100.00           | 2,100.00            | 4,200.00 |
| 17              | TOTAL COST               |                | 2,100.00           | 2,100.00            | 4,200.00 |

**DIN 5306: TRAFFIC SYSTEM MANAGEMENT AND OPERATIONS FUNDING**

|                 |                             |                |                    |                     |                |
|-----------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 05 | APPROPRIATION: 365 | DECISION ITEM: 5306 |                |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 13,942,500.00-     | 13,942,500.00-      | 27,885,000.00- |
| 16              | DELIVERY CHARGES/CREDITS    |                | 17,376,600.00-     | 17,376,600.00-      | 34,753,200.00- |
| 17              | TOTAL COST                  |                | 31,319,100.00-     | 31,319,100.00-      | 62,638,200.00- |

**See Decision Item 5306-Appropriation 961 for an explanation.**

**DIN 5307: HIGHWAY MAINTENANCE AND WINTER FUNDING**

DEPARTMENT: 395    PROGRAM: 03    SUBPROGRAM: 05    APPROPRIATION: 365    DECISION ITEM: 5307

| EXPENDITURE ITEMS              | 1ST YEAR COST | 2ND YEAR COST | TOTAL         |
|--------------------------------|---------------|---------------|---------------|
| 11 ONE-TIME FINANCING          | .00           | 5,400,000.00  | 5,400,000.00  |
| 15 MAJOR COSTS CHARGES/CREDITS | 24,262,000.00 | 26,642,000.00 | 50,904,000.00 |
| 16 DELIVERY CHARGES/CREDITS    | 700,000.00    | 700,000.00    | 1,400,000.00  |
| 17 TOTAL COST                  | 24,962,000.00 | 32,742,000.00 | 57,704,000.00 |

**See Decision Item 5307-Appropriation 961 for an explanation.**

**DIN 6020: OVERSIZE/OVERWEIGHT PERMITTING REORGANIZATION**

|                 |                          |                |                    |                     |              |
|-----------------|--------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 05 | APPROPRIATION: 365 | DECISION ITEM: 6020 |              |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 16              | DELIVERY CHARGES/CREDITS |                | 805,700.00         | 805,700.00          | 1,611,400.00 |
| 17              | TOTAL COST               |                | 805,700.00         | 805,700.00          | 1,611,400.00 |

**See Decision Item 6020-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 05 HWY MAINT, REPAIR & TRAFF OPER  
NA 366 STATE-OWNED LIFT BRIDGE OPERATIONS & MAINT., ST FD  
ALPH ER STATE-OWNED LIFT BRIDGE OPERATIONS & MAINT., ST FD  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |              |
|-------------------|-----------------------------|------------------|---------------|--------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15                | MAJOR COSTS CHARGES/CREDITS | 2,210,100.00     | 2,210,100.00  | 4,420,200.00 |
| 17                | TOTAL COST                  | 2,210,100.00     | 2,210,100.00  | 4,420,200.00 |

**DIN 5308: STATE LIFT BRIDGE FUNDING**

|                 |                             |                |                    |                     |            |
|-----------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 03                 | SUBPROGRAM: 05 | APPROPRIATION: 366 | DECISION ITEM: 5308 |            |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 200,000.00         | 200,000.00          | 400,000.00 |
| 17              | TOTAL COST                  |                | 200,000.00         | 200,000.00          | 400,000.00 |

**See Decision Item 5308-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 05 HWY MAINT, REPAIR & TRAFF OPER  
NA 368 ROUTINE MAINTENANCE, STATE FUNDS  
ALPH ES ROUTINE MAINTENANCE, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |                |                |
|-------------------|-----------------------------|------------------|----------------|----------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST  | TOTAL          |
| 15                | MAJOR COSTS CHARGES/CREDITS | 170,000,000.00   | 170,000,000.00 | 340,000,000.00 |
| 17                | TOTAL COST                  | 170,000,000.00   | 170,000,000.00 | 340,000,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 05 HWY MAINT, REPAIR & TRAFF OPER  
NA 375 HWY SYSTEM MANAGEMENT AND OPERATIONS, LOCAL FDS  
ALPH EV HWY SYSTEM MANAGEMENT AND OPERATIONS, LOCAL FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                                | CHANGE AUTHOR 1A |               |              |
|--------------------------------|------------------|---------------|--------------|
| EXPENDITURE ITEMS              | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 15 MAJOR COSTS CHARGES/CREDITS | 1,857,700.00     | 1,857,700.00  | 3,715,400.00 |
| 16 DELIVERY CHARGES/CREDITS    | 42,300.00        | 42,300.00     | 84,600.00    |
| 17 TOTAL COST                  | 1,900,000.00     | 1,900,000.00  | 3,800,000.00 |

**DIN 5306: TRAFFIC SYSTEM MANAGEMENT AND OPERATIONS FUNDING**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 05 | APPROPRIATION: 375 | DECISION ITEM: 5306 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 460,700.00-        | 460,700.00-         | 921,400.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 14,300.00-         | 14,300.00-          | 28,600.00-  |
| 17                | TOTAL COST                  |                | 475,000.00-        | 475,000.00-         | 950,000.00- |

**See Decision Item 5306-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 05 HWY MAINT, REPAIR & TRAFF OPER  
NA 385 HWY SYSTEM MANAGEMENT AND OPERATIONS, FED FDS  
ALPH EX HWY SYSTEM MANAGEMENT AND OPERATIONS, FED FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS              | CHANGE AUTHOR 1A<br>1ST YEAR COST | 2ND YEAR COST | TOTAL        |
|--------------------------------|-----------------------------------|---------------|--------------|
| 15 MAJOR COSTS CHARGES/CREDITS | 320,000.00                        | 320,000.00    | 640,000.00   |
| 16 DELIVERY CHARGES/CREDITS    | 782,500.00                        | 782,500.00    | 1,565,000.00 |
| 17 TOTAL COST                  | 1,102,500.00                      | 1,102,500.00  | 2,205,000.00 |

**DIN 5306: TRAFFIC SYSTEM MANAGEMENT AND OPERATIONS FUNDING**

|                   |                             |                |                    |                     |               |
|-------------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 03                 | SUBPROGRAM: 05 | APPROPRIATION: 385 | DECISION ITEM: 5306 |               |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 320,000.00-        | 320,000.00-         | 640,000.00-   |
| 16                | DELIVERY CHARGES/CREDITS    |                | 782,500.00-        | 782,500.00-         | 1,565,000.00- |
| 17                | TOTAL COST                  |                | 1,102,500.00-      | 1,102,500.00-       | 2,205,000.00- |

**See Decision Item 5306-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 09 ADMINISTRATION & PLANNING  
NA 369 ADMINISTRATION AND PLANNING, STATE FUNDS  
ALPH IQ ADMINISTRATION AND PLANNING, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |               |
|-------------------|-----------------------------|------------------|---------------|---------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 15                | MAJOR COSTS CHARGES/CREDITS | 43,800.00        | 43,800.00     | 87,600.00     |
| 16                | DELIVERY CHARGES/CREDITS    | 14,540,200.00    | 14,540,200.00 | 29,080,400.00 |
| 17                | TOTAL COST                  | 14,584,000.00    | 14,584,000.00 | 29,168,000.00 |

**DIN 3001: TURNOVER REDUCTION**

|                 |                          |                |                    |                     |             |
|-----------------|--------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 09 | APPROPRIATION: 369 | DECISION ITEM: 3001 |             |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 16              | DELIVERY CHARGES/CREDITS |                | 251,400.00-        | 251,400.00-         | 502,800.00- |
| 17              | TOTAL COST               |                | 251,400.00-        | 251,400.00-         | 502,800.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 09 | APPROPRIATION: 369 | DECISION ITEM: 3003 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 393,300.00         | 393,300.00          | 786,600.00 |
| 17              | TOTAL COST               |                | 393,300.00         | 393,300.00          | 786,600.00 |

**DIN 3007: OVERTIME**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 09 | APPROPRIATION: 369 | DECISION ITEM: 3007 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 146,700.00         | 146,700.00          | 293,400.00 |
| 17              | TOTAL COST               |                | 146,700.00         | 146,700.00          | 293,400.00 |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                 |                          |                |                    |                     |          |
|-----------------|--------------------------|----------------|--------------------|---------------------|----------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 09 | APPROPRIATION: 369 | DECISION ITEM: 3008 |          |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL    |
| 16              | DELIVERY CHARGES/CREDITS |                | 2,000.00           | 2,000.00            | 4,000.00 |
| 17              | TOTAL COST               |                | 2,000.00           | 2,000.00            | 4,000.00 |

**DIN 6030: TRAFFIC COUNTING POSITIONS**

|                 |                          |                |                    |                     |             |
|-----------------|--------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 09 | APPROPRIATION: 369 | DECISION ITEM: 6030 |             |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 16              | DELIVERY CHARGES/CREDITS |                | 94,800.00-         | 94,800.00-          | 189,600.00- |
| 17              | TOTAL COST               |                | 94,800.00-         | 94,800.00-          | 189,600.00- |

**See Decision Item 6030-Appropriation 461 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 09 ADMINISTRATION & PLANNING  
NA 389 ADMINISTRATION AND PLANNING, FEDERAL FUNDS  
ALPH IX ADMINISTRATION AND PLANNING, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS              | CHANGE AUTHOR 1A<br>1ST YEAR COST | 2ND YEAR COST | TOTAL        |
|--------------------------------|-----------------------------------|---------------|--------------|
| 15 MAJOR COSTS CHARGES/CREDITS | 284,300.00                        | 284,300.00    | 568,600.00   |
| 16 DELIVERY CHARGES/CREDITS    | 3,570,200.00                      | 3,570,200.00  | 7,140,400.00 |
| 17 TOTAL COST                  | 3,854,500.00                      | 3,854,500.00  | 7,709,000.00 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                          |                |                    |                     |             |
|-------------------|--------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 03              | SUBPROGRAM: 09 | APPROPRIATION: 389 | DECISION ITEM: 3001 |             |
| EXPENDITURE ITEMS |                          |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 16                | DELIVERY CHARGES/CREDITS |                | 54,700.00-         | 54,700.00-          | 109,400.00- |
| 17                | TOTAL COST               |                | 54,700.00-         | 54,700.00-          | 109,400.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                          |                |                    |                     |            |
|-----------------|--------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 09 | APPROPRIATION: 389 | DECISION ITEM: 3003 |            |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 16              | DELIVERY CHARGES/CREDITS |                | 85,500.00          | 85,500.00           | 171,000.00 |
| 17              | TOTAL COST               |                | 85,500.00          | 85,500.00           | 171,000.00 |

**DIN 3007: OVERTIME**

|                 |                          |                |                    |                     |           |
|-----------------|--------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 09 | APPROPRIATION: 389 | DECISION ITEM: 3007 |           |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 16              | DELIVERY CHARGES/CREDITS |                | 31,900.00          | 31,900.00           | 63,800.00 |
| 17              | TOTAL COST               |                | 31,900.00          | 31,900.00           | 63,800.00 |

**DIN 6030: TRAFFIC COUNTING POSITIONS**

|                 |                          |                |                    |                     |             |
|-----------------|--------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395 | PROGRAM: 03              | SUBPROGRAM: 09 | APPROPRIATION: 389 | DECISION ITEM: 6030 |             |
|                 | EXPENDITURE ITEMS        |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 16              | DELIVERY CHARGES/CREDITS |                | 379,200.00-        | 379,200.00-         | 758,400.00- |
| 17              | TOTAL COST               |                | 379,200.00-        | 379,200.00-         | 758,400.00- |

**See Decision Item 6030-Appropriation 461 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 10 DAMAGE CLAIMS & TELECOMMUNICAT  
NA 340 SURVEYING REFERENCE STATION SYSTEM  
ALPH JG SURVEYING REFERENCE STATION SYSTEM  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                     | CHANGE AUTHOR 1A |               |            |
|-------------------|---------------------|------------------|---------------|------------|
|                   |                     | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 06                | SUPPLIES & SERVICES | 470,000.00       | 470,000.00    | 940,000.00 |
| 17                | TOTAL COST          | 470,000.00       | 470,000.00    | 940,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 03 STATE HIGHWAY FACILITIES  
SP 10 DAMAGE CLAIMS & TELECOMMUNICAT  
NA 350 DAMAGE CLAIMS  
ALPH JJ DAMAGE CLAIMS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                            | CHANGE AUTHOR 1A |               |              |
|-------------------|----------------------------|------------------|---------------|--------------|
|                   |                            | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 13                | MC IMPR/R-E/MAINT/ENG SERV | 2,553,400.00     | 2,553,400.00  | 5,106,800.00 |
| 17                | TOTAL COST                 | 2,553,400.00     | 2,553,400.00  | 5,106,800.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
 PROG 09 GENERAL PROVISIONS  
 SP 01 HWYS, BRIDG & LOC TR ASST CLRG  
 NA 961 HWYS, BRIDGES & LOC TRANSP ASST CLEARING ACCOUNT  
 ALPH QH HWYS, BRIDGES & LOC TRANSP ASST CLEARING ACCOUNT  
 DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                                | CHANGE AUTHOR 1A  |                   |                   |
|-------------------|--------------------------------|-------------------|-------------------|-------------------|
| EXPENDITURE ITEMS |                                | 1ST YEAR COST     | 2ND YEAR COST     | TOTAL             |
| 01                | PERMANENT POSITION SALARIES    | 54,306,900.00     | 54,306,900.00     | 108,613,800.00    |
| 04                | LTE/MISC. SALARIES             | 6,754,800.00      | 6,754,800.00      | 13,509,600.00     |
| 05                | FRINGE BENEFITS                | 24,425,700.00     | 24,425,700.00     | 48,851,400.00     |
| 06                | SUPPLIES & SERVICES            | 29,358,700.00     | 29,358,700.00     | 58,717,400.00     |
| 07                | PERMANENT PROPERTY             | 732,300.00        | 732,300.00        | 1,464,600.00      |
| 09                | AIDS TO INDIVIDUALS & ORGS     | 1,350,000.00      | 1,350,000.00      | 2,700,000.00      |
| 10                | LOCAL ASSISTANCE               | 8,559,200.00      | 8,559,200.00      | 17,118,400.00     |
| 13                | MC IMPR/R-E/MAINT/ENG SERV     | 1,720,344,200.00  | 1,720,344,200.00  | 3,440,688,400.00  |
| 14                | MISCELLANEOUS TRANSFERS        | 15,800.00         | 15,800.00         | 31,600.00         |
| 15                | MAJOR COSTS CHARGES/CREDITS    | 1,730,269,200.00- | 1,730,269,200.00- | 3,460,538,400.00- |
| 16                | DELIVERY CHARGES/CREDITS       | 115,578,400.00-   | 115,578,400.00-   | 231,156,800.00-   |
| 17                | TOTAL COST                     | .00               | .00               | .00               |
| 19                | CLASSIFIED POSITIONS AUTHORIZE | 894.83            | 894.83            |                   |
| 20                | UNCLASSIFIED POS. AUTHORIZED   | 1.00              | 1.00              |                   |

**DIN 3001: TURNOVER REDUCTION**

|                   |                             |                |                    |                     |               |
|-------------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 3001 |               |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 02                | TURNOVER                    |                | 1,937,400.00-      | 1,937,400.00-       | 3,874,800.00- |
| 13                | MC IMPR/R-E/MAINT/ENG SERV  |                | 1,205,600.00       | 1,205,600.00        | 2,411,200.00  |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 1,205,600.00-      | 1,205,600.00-       | 2,411,200.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 1,937,400.00       | 1,937,400.00        | 3,874,800.00  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00           |

**DIN 3002: REMOVAL OF NONCONTINUING ELEMENTS FROM THE BASE**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 3002 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 13                | MC IMPR/R-E/MAINT/ENG SERV  |                | 60,800.00          | 150,400.00          | 211,200.00  |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 60,800.00-         | 150,400.00-         | 211,200.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

DEPARTMENT: 395 PROGRAM: 09 SUBPROGRAM: 01 APPROPRIATION: 961 DECISION ITEM: 3003

| EXPENDITURE ITEMS              | 1ST YEAR COST | 2ND YEAR COST | TOTAL         |
|--------------------------------|---------------|---------------|---------------|
| 01 PERMANENT POSITION SALARIES | 1,957,300.00  | 1,957,300.00  | 3,914,600.00  |
| 05 FRINGE BENEFITS             | 1,585,400.00  | 1,585,400.00  | 3,170,800.00  |
| 13 MC IMPR/R-E/MAINT/ENG SERV  | 1,374,600.00- | 1,374,600.00- | 2,749,200.00- |
| 15 MAJOR COSTS CHARGES/CREDITS | 1,374,600.00  | 1,374,600.00  | 2,749,200.00  |
| 16 DELIVERY CHARGES/CREDITS    | 3,542,700.00- | 3,542,700.00- | 7,085,400.00- |
| 17 TOTAL COST                  | .00           | .00           | .00           |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |               |
|-------------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 3007 |               |
| EXPENDITURE ITEMS |                             |                |                    |                     | TOTAL         |
|                   |                             | 1ST YEAR COST  | 2ND YEAR COST      |                     |               |
| 01                | PERMANENT POSITION SALARIES | 875,800.00     | 875,800.00         |                     | 1,751,600.00  |
| 05                | FRINGE BENEFITS             | 137,100.00     | 137,100.00         |                     | 274,200.00    |
| 13                | MC IMPR/R-E/MAINT/ENG SERV  | 821,800.00-    | 821,800.00-        |                     | 1,643,600.00- |
| 15                | MAJOR COSTS CHARGES/CREDITS | 821,800.00     | 821,800.00         |                     | 1,643,600.00  |
| 16                | DELIVERY CHARGES/CREDITS    | 1,012,900.00-  | 1,012,900.00-      |                     | 2,025,800.00- |
| 17                | TOTAL COST                  | .00            | .00                |                     | .00           |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

| DEPARTMENT: 395    PROGRAM: 09    SUBPROGRAM: 01    APPROPRIATION: 961    DECISION ITEM: 3008 |               |               |            |  |
|---|---------------|---------------|------------|--|
| EXPENDITURE ITEMS   | 1ST YEAR COST | 2ND YEAR COST | TOTAL      |  |
| 01 PERMANENT POSITION SALARIES  | 13,500.00     | 13,500.00     | 27,000.00  |  |
| 05 FRINGE BENEFITS  | 2,100.00      | 2,100.00      | 4,200.00   |  |
| 13 MC IMPR/R-E/MAINT/ENG SERV   | 10,400.00-    | 10,400.00-    | 20,800.00- |  |
| 15 MAJOR COSTS CHARGES/CREDITS  | 10,400.00     | 10,400.00     | 20,800.00  |  |
| 16 DELIVERY CHARGES/CREDITS   | 15,600.00-    | 15,600.00-    | 31,200.00- |  |
| 17 TOTAL COST   | .00           | .00           | .00        |  |

## DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM

| DEPARTMENT: 395   |                             | PROGRAM: 09 |               | SUBPROGRAM: 01 |                | APPROPRIATION: 961 |  | DECISION ITEM: 5202 |  |
|-------------------|-----------------------------|-------------|---------------|----------------|----------------|--------------------|--|---------------------|--|
| EXPENDITURE ITEMS |                             |             | 1ST YEAR COST | 2ND YEAR COST  | TOTAL          |                    |  |                     |  |
| 06                | SUPPLIES & SERVICES         |             | .00           | 2,041,000.00   | 2,041,000.00   |                    |  |                     |  |
| 13                | MC IMPR/R-E/MAINT/ENG SERV  |             | .00           | 37,959,000.00  | 37,959,000.00  |                    |  |                     |  |
| 15                | MAJOR COSTS CHARGES/CREDITS |             | .00           | 37,959,000.00- | 37,959,000.00- |                    |  |                     |  |
| 16                | DELIVERY CHARGES/CREDITS    |             | .00           | 2,041,000.00-  | 2,041,000.00-  |                    |  |                     |  |
| 17                | TOTAL COST                  |             | .00           | .00            | .00            |                    |  |                     |  |

**SUMMARY:** The Department requests the creation of three new continuing appropriations in s.20.395(2), Wis. Stats., for a new Local Transportation Facility Improvement Program (LTFIP) for county highways, city and village streets, and local roads. The new program would begin in FY 17 and replace the existing Surface Transportation Program (STP) and the Local Roads Improvement Program (LRIP). In addition, the Department requests an increase of \$690,000 in FY 16 and \$310,000 in FY 17 in Appropriation 461, s.20.395(4)(aq), Wis. Stats., to implement the new program. The Department also requests funding levels in the new appropriations of \$125,396,100 in FY 17 in the new SEG appropriation, \$5,000,000 in FY 17 in the new federal appropriation, and \$38,895,500 in FY 17 in the new local appropriation.

The Department also requests an increase of \$34,284,500 in FY 17 in Appropriation 265, s. 20.395(2)(eq), Wis. Stats., and that budget authority in Appropriation 285, s.395.20(2)(ex) be set to \$0 in FY 17. This replaced federal funding in the Local Bridge Improvement Assistance (Local Bridge) Program with SEG funding and provide for an overall \$9,874,900 increase to the program.

**DISCUSSION:** LTFIP will establish a new structure for Wisconsin's local improvement programs for county highways, city and village streets and roads. The new structure consolidates the existing STP and LRIP programs. The program also includes a state-funded local freight and economic development component that builds on the Department's experiences gained in the STP-Freight pilot, which will continue to be coordinated with the Transportation Economic Assistance (TEA) program. The main focuses of the program are as follows:

- Create a two tiered program that recognizes differences in projects based on the functional classification of the roadway and improvement type. Projects on high functioning roads or with complex improvement types will be placed in upper tier, while less complex projects or those on lower functioning roadways will be in lower tier.
- Provide more flexibility by eliminating the use of federal funding, except for funding provided to the Highway Safety Improvement Program (HSIP). Eliminating federal funding from the local program funding mix will enhance the Department's flexibility to employ creative cost saving programming opportunities that may not be presently allowed due to federal guidelines.
- Allocate more funding, as recommended by the Wisconsin Transportation Finance and Policy Commission, to better meet local program needs and establishes a uniform 40 percent local cost share for county, city/village, and town local roadway projects. Local cost share for projects in urbanized areas with a population over 200,000 and local bridge projects will remain at least 20 percent.
- Establish preliminary design and engineering work requirements based on tier, improvement type, and local government sponsor to generate more accurate cost estimates in order to minimize financial risks and project delays.

- Create a local freight component, based on the STP-Freight pilot to link local freight improvements with economic development within the state.

The Department's current STP and LRIP programs are administered separately with different policies, procedures, and systems. The complexity and separate administration of these programs results in increased burdens on local governments and the Department due to differing rules, requirements, and application processes. Separate administration of the programs also creates an inefficient collection of department oversight resources that limits local flexibility in delivering approved projects. Current oversight is based on the program type, not on project characteristics, such as roadway classification or improvement type. In addition, some road improvements may be eligible as either a STP or LRIP program project, making them subject to different policies, processes, and oversight requirements depending solely on the source of funding. This creates additional confusion and inconsistency in the administration and oversight of the programs.

**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM** Local Roads Improvement Program  
**DIN:** 5202  
**ISSUE TITLE:** Local Transportation Facility Improvement Program

**REQUEST:**

The Department requests the creation of three continuing appropriations in s.20.395(2), Wis. Stats., for a new Local Transportation Facility Improvement Program (LTFIP) for county highways, city and village streets, and local roads. The new program would begin in FY 17 and replace the existing Surface Transportation Program (STP) and the Local Roads Improvement Program (LRIP). In addition, the Department requests an increase of \$690,000 in FY 16 and \$310,000 in FY 17 in Appropriation 461, s.20.395(4)(aq), Wis. Stats., to implement the new program. The Department also requests funding levels in the new appropriations of \$125,396,100 in FY 17 in the new SEG appropriation, \$5,000,000 in FY 17 in the new federal appropriation, and \$38,895,500 in FY 17 in the new local appropriation.

The existing appropriations for LRIP and STP should be set to \$0 in FY 17:

- Appropriation 270, s.20.395(2)(ft), Wis. Stats.
- Appropriation 278, s.20.395(2)(fr), Wis. Stats.
- Appropriation 276, s.20.395(2)(fv), Wis. Stats.
- Appropriation 286, s.20.395(2)(fx), Wis. Stats.

The Department also requests an increase of \$34,284,500 in FY 17 in Appropriation 265, s.20.395(2)(eq), Wis. Stats. and that the budget authority of Appropriation 285, s.395.20(2)(ex) Wis. Stats. be set to \$0 in FY17. This replaces federal funding in the Local Bridge Improvement Assistance (Local Bridge) Program with SEG funding and provides for an overall \$9,874,900 increase to the program.

**SUMMARY:**

LTFIP will establish a new structure for Wisconsin's improvement programs for county highways, city and village streets and town roads by consolidating the existing STP and LRIP programs. The program also includes a state-funded local freight and economic development component that builds on the Department's experiences gained in the STP-Freight pilot, which will continue to be coordinated with the Transportation Economic Assistance (TEA) program. The primary focuses of the program are to:

- Create a two tiered program that recognizes differences in projects based on the functional classification of the roadway and improvement type. Projects on high functioning roads or with complex improvement types will be placed in upper tier, while less complex projects or those on lower functioning roadways will be in lower tier.
- Provide more flexibility by eliminating the use of federal funding, except for funding provided to the Highway Safety Improvement Program (HSIP). Eliminating federal funding from the local program funding mix will enhance the Department's ability to employ creative cost saving programming opportunities that may not be presently allowed due to federal guidelines.
- Allocate additional funding, as recommended by the Wisconsin Transportation Finance and Policy Commission, to better meet local program needs and establishes a uniform 40 percent local cost share for county, city/village, and town local roadway projects. Local cost share for projects in urbanized areas with a population over 200,000 and local bridge projects will continue be set by project between 20 to 50 percent.

- Establish preliminary design and engineering work requirements based on tier, improvement type, and local government sponsor to generate more accurate cost estimates in order to minimize financial risks and project delays.
- Create a local freight component, based on the STP-Freight pilot to link local freight improvements with economic development within the state.

## **Background – Current Program Structure**

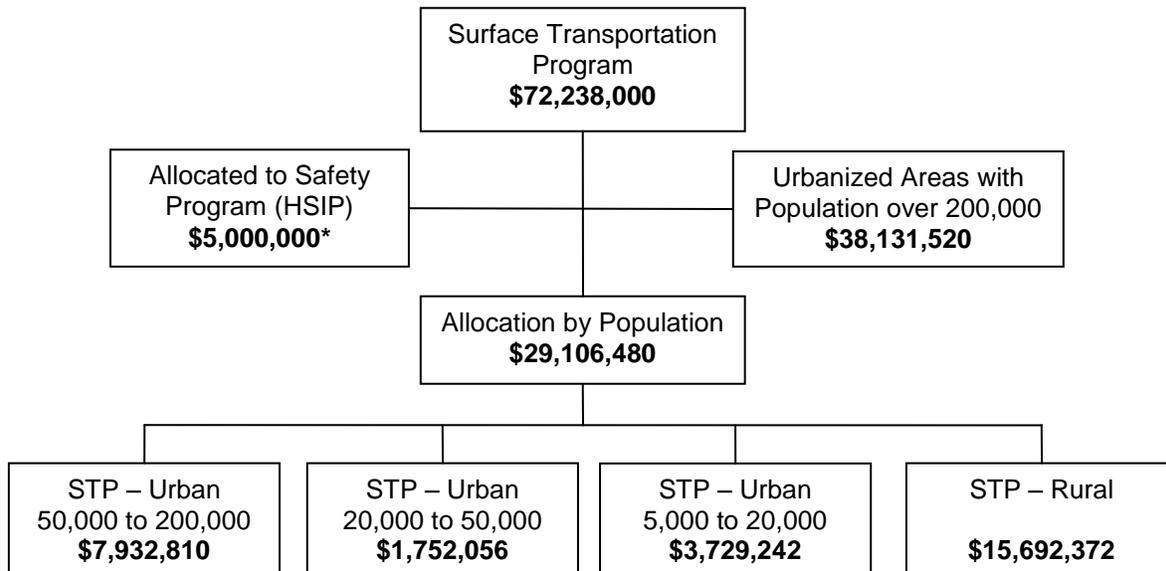
### *Surface Transportation Program*

The existing STP program provides funds to local units of government for the rehabilitation of major roads under their ownership. Under the program, the Department establishes a program schedule on six-year cycles that begin every two years. With each cycle, the Department selects new projects several years in advance of construction, as well as updates the schedule for pending projects approved in prior cycles. In 2013, the program schedule was expanded from four years to six years. Currently, the program is federally funded and local recipients are responsible for a 20 percent match on federal funds.

The existing STP program consists of two parts: one approves projects in urban areas with a population greater than 5,000 (STP-U) and the other approves projects by county for improvements to county highways outside of urban areas (STP-R). Within the STP-U distribution, funds are further divided between categories of urban areas as follows: a) urbanized areas with a population over 200,000; b) urbanized areas with a population between 50,000 and 200,000; c) urban areas with a population between 20,000 and 50,000; and d) urban areas with a population between 5,000 and 20,000. For urbanized areas with populations over 200,000, the Federal Highway Administration (FHWA) sets the funding allocations.

For the two largest STP-U categories (urbanized areas with a population between 50,000 to 200,000 and urbanized areas with a population over 200,000), the area's Metropolitan Planning Organization (MPO) chooses the projects that are funded. The MPO is composed of representatives from the local units of government that comprise the urbanized area and conducts regional transportation planning and establishes a transportation program. For STP-R, funds are distributed to counties using a formula based on each county's proportionate share of eligible mileage and 40 percent on each county's proportionate share of vehicles registered in rural areas. For the two small STP-U categories (urbanized areas with a population between 20,000 and 50,000 and urban areas with a population between 5,000 and 20,000) the proportionate mileage and rural vehicle registration are used to weight the selection process. Table 1 illustrates the current STP program.

**Table 1  
Current Surface Transportation Program and FY 15 Funding**



\* In FY 15, \$5.0 M federal funds were allocated to Wisconsin's Highway Safety Improvement Program (HSIP).

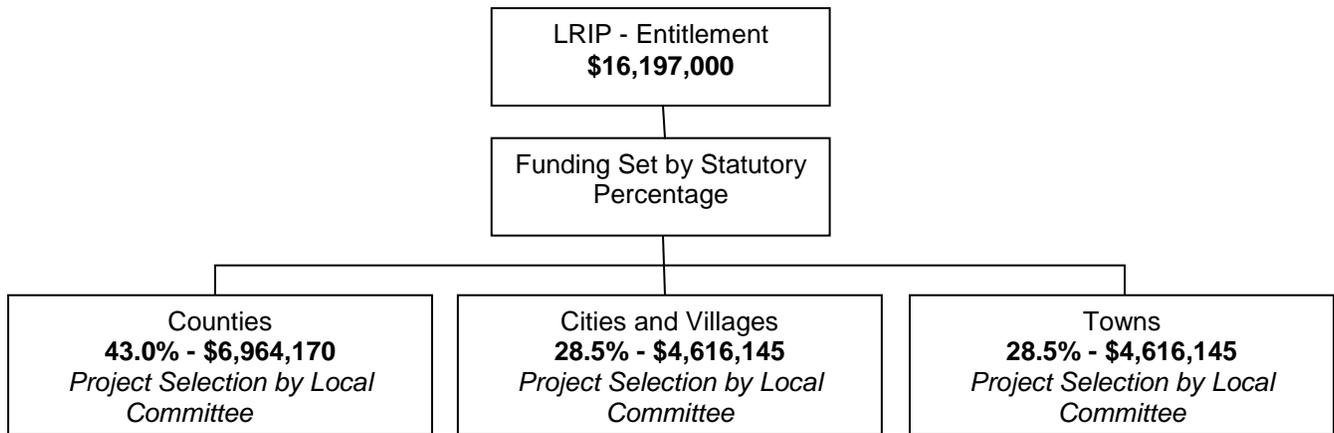
*Local Road Improvement Program*

The LRIP program provides state funds for capital improvements on existing county, town and municipal roads and for feasibility studies for such improvements. The current program consists of an entitlement component and a discretionary component. These programs are further separated into county, town and municipal distributions. The funds provided for the entitlement program are required under s. 86.31(3) Wis. Stats. to be distributed as follows: 43 percent to county projects, 28.5 percent to towns; and 28.5 percent to municipalities.

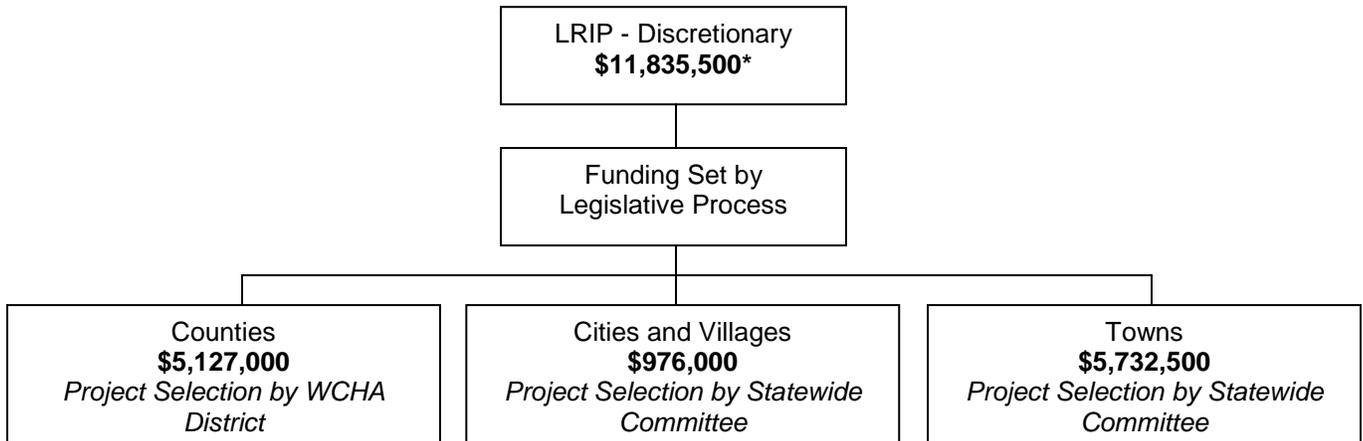
Under the entitlement distribution program, counties and large municipalities receive their own funding allocations and are responsible for project selection and completion. Towns and small municipalities must share their allocation with other like governments in their county. In these instances, projects are selected by committees within each county, made up from representatives from the respective governments. Unlike the formula component of LRIP, the discretionary component is designed to fund a small number of high-cost projects across the state. For the county discretionary program, the funding allocated for discretionary projects is distributed to eight different regions in proportion to the total funding the counties in each region receive in the formula-based components of the program. Projects for each multi-county region are chosen by a committee composed of the county highway commissioners from each of the counties in the region.

Tables 2 and 3 illustrate the current program structure of LRIP.

**Table 2**  
**Current Local Roads Improvement Program and FY 15 funding**  
**Entitlement Program (Formula)**



**Table 3**  
**Current Local Roads Improvement Program and FY 15 funding**  
**Discretionary Program**



\* Does not include \$3.6 million provided in 2013 Wisconsin Act 20 for relocation assistance to CTH LS in Manitowoc and Sheboygan counties.

**Local Bridge Improvement Assistance Program**

The Local Bridge Improvement Assistance Program uses both state and federal funds for bridge projects not on state trunk highways or connecting highways. The program is operated on six year overlapping cycles with a new cycle beginning every two years. Local governments must provide a match equal to 20 percent of the total cost of the awarded project. Projects are approved through a statewide rating and ranking formula. The formula compares funding requests to the county's share of statewide bridge needs. Every two years, all local bridges are inspected and given a sufficiency rating score using federally-approved inspection and rating criteria. The sufficiency score is based on a 100 point scale, with higher numbers indicating better condition. Bridges that are rated below 50 are considered to be seriously deteriorated and are eligible for replacement under the program, while bridges that are below 80 are eligible for rehabilitation if the proposed projects meet certain other conditions. In FY 15, \$32,869,100 (\$24,409,600 federal funds and \$8,459,500 state funds) was appropriated to the Local Bridge Improvement Assistance program.

### **New Program Structure**

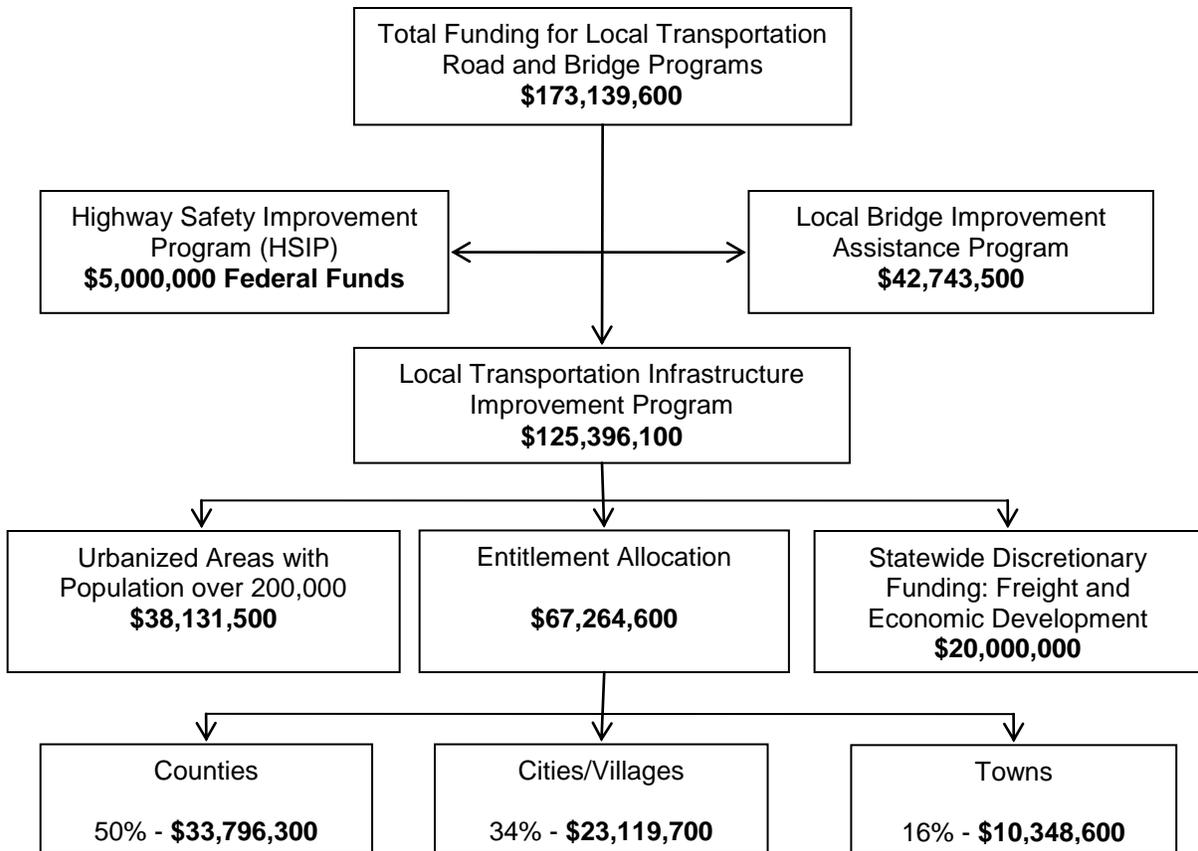
The Department's current STP and LRIP programs are administered separately with different sets of policies, procedures, and systems. The complexity and separate administration of these programs results in increased burdens on local governments and the Department due to differing rules, requirements, and application processes. Separate administration of the programs also creates an inefficient collection of oversight mechanisms that limits local flexibility in delivering approved projects. Current oversight is based on the program, not on project characteristics, such as roadway classification or improvement type. In addition, some road improvements may be eligible as either a STP or LRIP program project, making them subject to different policies, processes, and oversight requirements depending solely on the source of funding. This creates additional confusion and inconsistency in the administration and oversight of the programs.

The Department is proposing to consolidate STP and LRIP into a single integrated Local Transportation Facility Improvement Program. The new program will also include a freight improvement component focusing on economic development needs in the state. With the exception of HSIP, the consolidated program will only have state and local funding. Improvements on roads in urbanized areas with a population over 200,000 will be split at up to 80 percent state funds with a 20 percent local match. Projects in counties, cities/villages, and towns will be funded at a split of 60 percent state and 40 percent local matching funds.

The consolidated program will be tiered based on the functional classification of the roadway to be improved and the complexity of the proposed project. The purpose of the tier system is to provide maximum flexibility to local governments for improvements on low functioning roadways and for less complex improvement projects. Improvements to roadways classified below collector or with low complexity, will participate in the lower tier of the program and those at collector or higher or with greater complexity, will be in funded out of the upper tier.

A summary of the proposed tier system is provided in Table 4, below.

**Table 4**  
**Local Transportation Facility Improvement Program Structure in FY 17 (SEG and federal only)**



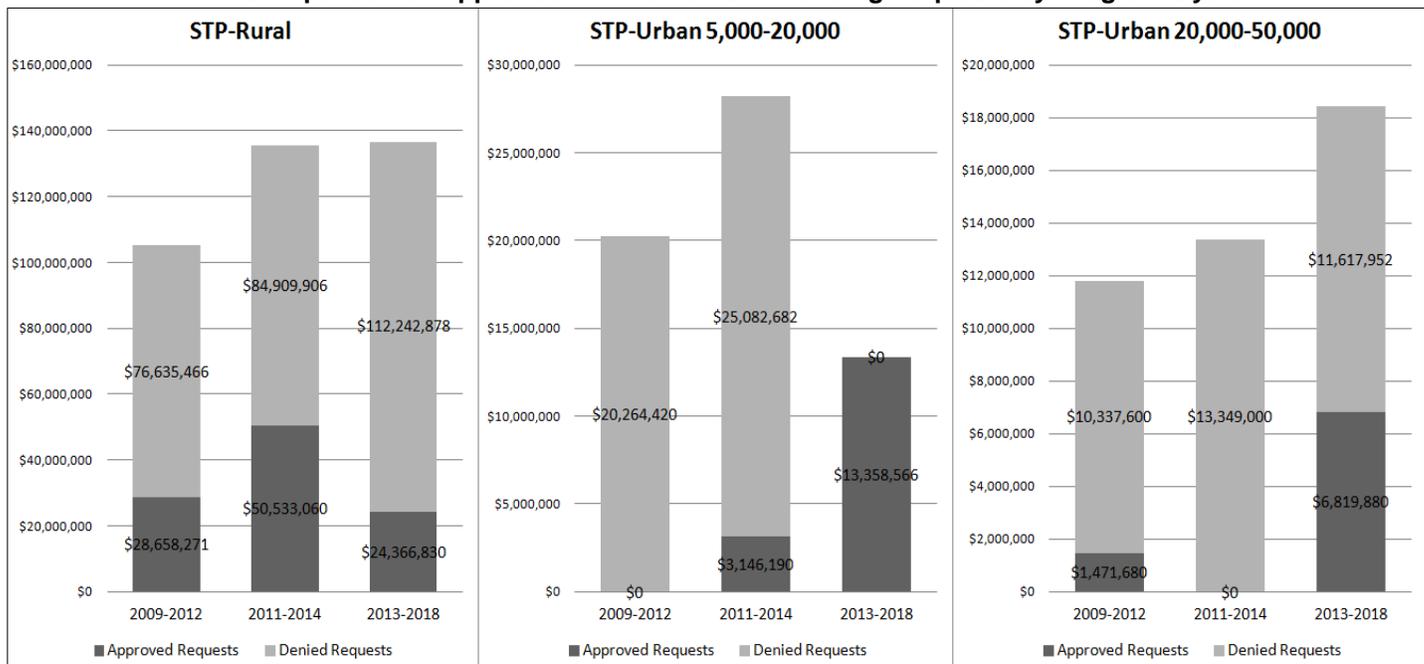
**JUSTIFICATION:**

The current STP and LRIP programs provide partial funding for improvements made on the local road system. The STP programs are federally-funded programs contributing up to 80 percent of the cost of improvements with local governments contributing the remaining 20 percent. STP funds may be used on new or existing roadways that are classified as a rural major collector or higher. LRIP is a state-funded program that covers 50 percent of the eligible costs of an eligible improvement with the local governments contributing the remaining 50 percent and everything above the project cap. LRIP funds may only be used on existing county trunk highways, city and village streets, and town roads. STP projects are state let and may be capped or uncapped (at estimate), depending on the population of the local government. LRIP projects are overseen and let locally, with a funding cap being put in place by the Department for the approved amount. State or federal funding for capped projects cannot exceed the approved dollar value, and any costs in excess of the cap are paid by the local governments.

The STP program selects projects using an automated rating and ranking system that quantifies a measurement of local needs compared to the funds requested by each local government. Cumulative tracking of the local needs and awarded funds allows for the equitable distribution of program funds over multiple program cycles. In FY 15, \$72.2 million has been allocated to the STP program with \$5.0 million being allocated for local safety programs (HSIP), which are operated separately from STP. In FY 15, the LRIP program was appropriated \$59.6 million for the entitlement and discretionary programs. In the entitlement program, county highway commissioners select and prioritize projects based on the funding provided to each local government. For the discretionary component, county highway commissioners in each Wisconsin County Highway Association (WCHA) district prioritize local projects to be submitted to the Department and selected by a statewide committee.

A comparison of the funds requested to the amount approved shows that local demand for funding through both programs significantly exceeds the funds available in each program cycle. For example, approximately \$123.9 million in funding requests by local government participating in the STP-R and small STP-U programs during the 2013-18 program cycle were denied funding due to limited fiscal resources.

**Table 5  
Comparison of Approved and Denied STP Funding Requests by Program Cycle\***



\* Project selection for urbanized areas with populations of 50,000 to 200,000 and 200,000 and over are not included because project selection and oversight is completed by local government agencies. In some program cycles, no new requests were approved because undelivered projects from earlier program cycles utilized all available funding.

While requested funds have exceeded those available in each program cycle, the funds allocated to the STP program have not been fully expended in recent state fiscal years. Under spending is primarily due to local governments being unable to complete the improvements in the fiscal year in which they were scheduled.

The Department has recently implemented improvements to STP program guidelines related to scheduling and change management to increase the likelihood that an improvement will precede on schedule. These procedures include the development and use of guides that aid with initial scheduling determinations, identifying potential project delays, and changes to project monitoring. These improvements will be incorporated into the new local road program and the increased flexibility of the new program structure should assist local governments in completing improvements on schedule.

#### *Tiered System*

The consolidated program will be tiered based on the functional classification of the roadway to be improved and the complexity of the project. The purpose of the tier system is to provide maximum flexibility to local governments for improvements on low functioning roadways and for less complex improvement concepts. Improvements to roadways classified below collector or with low complexity, will be completed in the lower tier of the program, while those classified as collector or higher, or with greater complexity, will be placed in the upper tier. A “collector” is a roadway characterized as a higher functioning route that provides service to an arterial system or connections within a localized area. For example, a resurfacing project on a collector that has no real estate or other complex project issues could be placed in the lower tier. The Department will develop rules and guidelines to further clarify the tier structure and letting processes.

Improvements on lower functioning roadways placed in the lower tier will be locally let. Local letting will benefit local governments by preserving competitive bidding, reducing state oversight and involvement in the letting process, and providing an opportunity for the locals to tailor the process to their needs and conditions. Improvement projects in the upper tier however, would be state let. State lettings will benefit local governments by minimizing the risk of errors or mistakes on improvements to high functioning roadways, which are more likely to be complex and have a higher cost for improvement. State lets would also assist in assuring improvements conform to state and federal requirements.

#### *Need for Additional Program Funding*

The Department uses the Wisconsin Information System for Local Roads (WISLR) to manage statewide local road inventory and mileage certification information for the General Transportation Aids program. According to current WISLR data, the aggregate cost of local capital and maintenance needs exceeds \$2.7 billion. Based on existing funding levels for local roads programs and General Transportation Aids, the Department estimates that it would take nearly seven years to meet existing local needs. This assessment does not take into account the future deterioration of the infrastructure during the rebuilding process. Without additional funding to improve local roads, pavement and bridge conditions will continue to deteriorate.

Recognizing the funding deficiencies in the local roads programs, the state Transportation Finance and Policy Commission recommended a \$400 million increase over a ten-year period be provided to support the LRIP program. Consequently, the Department is requesting a \$40 million increase in the new Local Roadway Improvements Program and the Local Bridge Program beginning in FY 17 to address deteriorating pavement and bridge conditions.

#### *State Funding*

The consolidated program would also eliminate the use of federal funding. The use of federal funds on a project introduces a variety of requirements that could result in increased costs beyond what would be necessary if federal dollars were not used on the project. Eliminating federal funding from the local program funding mix will enhance the Department’s flexibility to employ creative cost saving programming opportunities that may not be presently sanctioned by the Federal Highway Administration. The use of federal dollars on any project subjects the entire project to all federal requirements. Federally funded projects are required to undergo a project development process that includes a number of steps starting from project planning through post-construction review. Federal requirements, such as federal wage law (Davis-Bacon Act), National Environmental Policy Act (NEPA) environmental documentation, and Disadvantaged Business Enterprise goals, only apply to projects that use federal funding.

The local match for projects in an urbanized area with a population over 200,000 will remain up to 80 percent state funded with a 20 percent local match. The new local roads program will have a single requirement for local match for projects sponsored by counties, cities/villages, and towns. Currently, LRIP improvements require a minimum 50 percent local match, while STP projects require a minimum 20 percent local share. Under the proposed program, local improvements will be funded at 60 percent state funds and 40 percent local matching funds and capped at project approval.

#### *Project Oversight, Design and Scoping*

The oversight process in the consolidated local roads program will be based on tier, improvement type, and the local government sponsor. For improvements in the lower tier, the Department will contract with the county in which the improvement is located for oversight. This process is similar to the existing process used for the current LRIP program. For projects in the upper tier, improvement projects will be overseen by one of the Department's five regional offices. Due to potential conflicts of interest, county projects in the lower tier will also be overseen at the regional level by the Department. The purpose of this process is to provide the appropriate level of oversight based on project characteristics.

Design or preliminary engineering work will be required for all improvements prior to approval in the consolidated program. The extent of the design or preliminary engineering work required will be determined by the tier and type of improvement. The purpose of this requirement is to help local governments determine the needs of their proposed improvements and generate more accurate cost estimates, which will minimize financial risks and project delays.

All improvements would require preliminary engineering or project scope documents prior to project approval based on the type of the improvement. More complex improvements, such as reconstruction, will require more preliminary work than those with less complexity, such as pavement replacement. Requiring preliminary engineering or other work prior to approval would increase the accuracy of construction cost estimates, reduce complexity in the program, and ensure that only viable improvement projects are undertaken.

Oversight, design and scoping requirements for projects eligible for the Local Bridge Program will remain the same.

#### *Local Freight Component*

In 2013, a STP-Freight pilot was created to improve freight connections. The pilot project grew out of the Governor's Second Annual Freight Summit, which focused on increasing freight system efficiency and safety while streamlining regulatory processes. The pilot was funded with federal STP-U funds and received 22 applications totaling \$46.7 million. In September 2013, the Department approved seven improvements totaling \$9.5 million for the pilot. Some of the improvements contained multiple components, such as design, construction, and real estate. The cost of each project was split 80 percent federal and 20 percent local and capped at the initial approved amount.

Local freight improvements and economic development are closely related. Therefore, the Department will focus the discretionary freight component of the program on projects that are necessary to enhance economic development within the state. The Department will coordinate the new local freight component with the TEA program to allow local governments to address related improvements that could facilitate additional job creation or retention, while benefiting other local or regional interests. Coordination between these programs would also benefit local governments by reducing project complexity, improving the consistency of communication between the Department and local governments, and streamlining the Department's participation in local freight and economic development projects.

This portion of the program will fund up to 60 percent of improvements, using specific data and criteria that will enhance statewide freight connections and address local roadway needs.

*Program Implementation*

The Department requests \$690,000 in FY 16 and on-going funding of \$310,000 in FY 17 to assist with implementation of the new program. Implementing the new program will require updates to the Department's IT systems, consultant staffing and development of project approval criteria, program tracking and financial reporting.

The Department's existing IT systems are not suitable to adapt to the new consolidated program. Consequently, the Department will require consultant resources to develop new software and provide on-going systems maintenance. The new system would include functions for on-line application and approval, determination of funding allocations, interfacing with existing department systems, management review processes, and reporting. Resources are also necessary to develop, implement and operate the new program, while continuing to provide support for the existing programs through the transition period. These needs will be addressed by utilizing existing department staff and consultant resources. The consultant resources would be used to aid in the development, implementation and testing of new systems, policy and training of department regional staff and local personnel.

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5202

**TOPIC:** Local Transportation Facility Improvement Program

**DESCRIPTION OF CHANGE:**

The Department requests the following statutory modifications:

- u. Create three continuing SEG appropriations in s. 20.395(2), Wis. Stats. for, respectively:
  - 6. Local Transportation Facility Improvement Program, state funds;
  - 7. Local Transportation Facility Improvement Program, federal funds.
  - 8. Local Transportation Facility Improvement Program, local funds.
- v. The existing appropriations will be repealed in a future budget:
  - 6. Appropriation 270, s. 20.395(2)(ft), Wis. Stats.;
  - 7. Appropriation 278, s. 20.395(2)(fr), Wis. Stats.;
  - 8. Appropriation 276, s. 20.395(2)(fv), Wis. Stats.; and
  - 9. Appropriation 286, s. 20.395(2)(fx), Wis. Stats.
- w. Create a Local Transportation Facility Improvement Program in Ch. 86., Wisconsin Statutes, as follows:
  - a. Retain the definitions for the program as provided in s.86.31(1), Wis. Stats.;
  - b. Provide for the Department to administer the new program as provided in s. 86.31(2), Wis. Stats., except change the references from “local roads improvement program” to “local transportation facility improvement program”;
  - c. Specify that funds provided under the Local Transportation Improvement Program, state funds be distributed for purposes of entitlement for the following components:
    - i. County trunk highway improvements;
    - ii. Town road improvements; and
    - iii. City and village improvements.
  - Specify from the appropriations created above, that the department shall allocate funds for entitlement as determined in administrative rule;
  - Provide that all costs of an improvement funded under this section shall be the responsibility of the political subdivision and at the completion of an improvement, the political subdivision may apply to the Department for reimbursement of not more than 60 percent of eligible costs in the manner and form prescribed by the Department; and
  - Require the Department to promulgate rules to implement and administer the program.

**JUSTIFICATION:**

The Local Transportation Facility Improvement Program will establish a new structure for Wisconsin’s local improvement programs for county highways, city and village streets and road by consolidating the existing Surface Transportation Program (STP) and Local Road Improvement Program (LRIP). The program also includes a state-funded local freight and economic development component that builds on the Department’s experiences in gained in the STP-Freight pilot, which will continue to be coordinated with the Transportation Economic Assistance (TEA) program. The main focuses of the program are as follows:

- Create a two tiered program that recognizes differences in projects based on the functional classification of the roadway and improvement type. Projects on high functioning roads or with complex improvement types will be placed in upper tier, while less complex projects or those on lower functioning roadways will be in lower tier.

- Provide more flexibility by eliminating the use of federal funding, except for funding provided to the Highway Safety Improvement Program (HSIP). Eliminating federal funding from the local program funding mix will enhance the Department's flexibility to employ creative cost saving programming opportunities that may not be presently allowed due to federal guidelines.
- Allocate additional funding, as recommended by the Wisconsin Transportation Finance and Policy Commission, to better meet local program needs and establishes a uniform 40 percent local cost share for county, city/village, and town local roadway projects. Local cost share for projects in urbanized areas with a population over 200,000 and local bridge projects will remain at 20 percent.
- Establish preliminary design and engineering work requirements based on tier, improvement type, and local government sponsor to generate more accurate cost estimates in order to minimize financial risks and project delays.
- Create a local freight component, based on the STP-Freight pilot to link local freight improvements with economic development within the state.

The Department's current STP and LRIP programs are administered separately with different policies, procedures and systems. The complexity and separate administration of these programs results in increased burdens on local governments and the Department due to differing rules, requirements, and application processes. Separate administration of these programs also creates an inefficient collection of department oversight resources that limits local flexibility in delivering approved projects.

## DIN 5203: TEA MODIFICATIONS

|                   |                             |                |                    |                     |               |
|-------------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 5203 |               |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 10                | LOCAL ASSISTANCE            |                | 2,000,000.00       | 2,000,000.00        | 4,000,000.00  |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 2,000,000.00-      | 2,000,000.00-       | 4,000,000.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00           |

**SUMMARY:** The Department requests \$2,000,000 SEG in FY 16 and FY 17 in appropriation 260, s. 20.395(2)(iq), Wisconsin Statutes, for the Transportation Facilities Economic Assistance and Development program. The Department also requests a statutory modification to increase the state-funded portion of program grants from 50 percent to 80 percent.

**DISCUSSION:** The Transportation Facilities Economic Assistance and Development (TEA) program is a grant program designed to facilitate new employment and to retain existing jobs, while encouraging private investment in Wisconsin. Communities can apply for TEA program funds to encourage new businesses or existing business expansions in their regions by building transportation improvements. Transportation improvements may range from constructing access roads, interchanges, or rail spurs.

The current state share for TEA program grants is 50 percent of the anticipated cost of the improvement or \$5,000 for each Wisconsin job resulting directly from the facility improvement or economic development project, whichever is less, with a cap of \$1 million for any single project. The remaining cost share is provided by the local government sponsor.

The TEA program is a proven economic development and job creation/retention program with more than 84,000 direct and indirect jobs created or retained as a result of program grants. The current 50 percent local cost share is difficult for many of the state's local governments and results in missed opportunities for job creation and retention. Increasing the state funding share to 80 percent would increase the ability of local governments to undertake such projects. The 80 percent state share would also be in-line with similar programs in surrounding states. The increased funding would compensate for the increased program cost share and increased program demand, allowing more projects to be undertaken.

**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Transportation Facilities Economic Assistance and Development Program

**DIN:** 5203

**ISSUE TITLE:** TEA Program Modifications

**REQUEST:**

The Department requests \$2,000,000 SEG in FY 16 and FY 17 in Appropriation 260, s. 20.395(2)(iq), Wis. Stats., for the Transportation Facilities Economic Assistance and Development program. The Department also requests a statutory modification to increase the state-funded portion of program grants from 50 percent to 80 percent.

**SUMMARY:**

The Transportation Facilities Economic Assistance and Development (TEA) program is a grant program designed to facilitate new employment and to retain existing jobs, while encouraging private investment in Wisconsin. Communities can apply for TEA program funds to encourage new businesses or existing business expansions in their regions by building transportation improvements. Transportation improvements may include constructing access roads, interchanges, or rail spurs.

The current state share for TEA program grants is 50 percent of the anticipated cost of the improvement or \$5,000 for each Wisconsin job resulting directly from the facility improvement or economic development project, whichever is less, with a cap of \$1 million for any single project. The remaining cost share is provided by the local government. Due to budget constraints and unstable economic conditions, local governments are having difficulty generating the 50 percent matching requirement. Increasing the TEA program cost share from 50 percent to 80 percent will facilitate local governments moving forward with job-creating and retaining projects.

In addition to increasing the program cost share, the Department is also requesting an increase in funding for the program. It is estimated that the requested \$2 million per year increase will offset the increased program cost share and address the anticipated increased program demand with the lower match requirement.

**JUSTIFICATION:**

The TEA program is a proven economic development and job creation/retention program with more than 84,000 direct and indirect jobs created or retained as a result of program grants. The current 50 percent local cost share is difficult for many of the state's local governments to meet and results in missed opportunities for job creation and retention. Increasing the state funding share to 80 percent would increase the ability of local governments to undertake such projects. The 80 percent state share would also be in-line with similar programs in surrounding states. The increased funding would compensate for the increased program cost share and increased program demand, allowing more projects to be undertaken.

Since 1987, the TEA program has funded 340 transportation projects serving 370 businesses. Businesses supported by funds awarded through the TEA program have generated more than 84,000 direct and indirect jobs with an average wage of \$17 per hour. Additionally, businesses in the program have spent more than \$5 billion in private investments for land, property, buildings, inventory, machinery and equipment.

**Department of Transportation**  
**2015-2017 Biennial Budget Request**  
**STATUTORY MODIFICATIONS**

**DIN:** 5203

**TOPIC:** TEA Program Modifications

**DESCRIPTION OF CHANGE:**

The Department requests the following statutory modifications:

- a. Amend s. 84.185(2)(b)5., Wis. Stats., by deleting “50%” and replacing it with “20%”;
- b. Amend s. 84.185(3)(a)1., Wis. Stats., by deleting “50%” and replacing it with “80%”;
- c. Amend s. 84.185(3)(b)3.a., Wis. Stats., by deleting “50%” and replacing it with “80%”; and
- d. Amend s. 84.185(6m), Wis. Stats., by deleting “50%” and replacing it with “80%”.

**JUSTIFICATION:**

The Transportation Facilities Economic Assistance and Development (TEA) program is a grant program designed to facilitate new employment and to retain existing jobs, while encouraging private investment in Wisconsin. Communities can apply for TEA program funds to encourage new businesses or existing business expansions in their regions by building transportation improvements. Transportation improvements may range from constructing access roads, interchanges, or rail spurs.

The current state share for TEA program grants is 50 percent of the anticipated cost of the improvement or \$5,000 for each Wisconsin job resulting directly from the facility improvement or economic development project, whichever is less, with a cap of \$1 million for any single project. The remaining cost share is provided by the local government sponsor.

The TEA program is a proven economic development and job creation/retention program with more than 84,000 direct and indirect jobs created or retained as a result of program grants. The current 50 percent local cost share is difficult for many of the state’s local governments and results in missed opportunities for job creation and retention. Increasing the state funding share to 80 percent would increase the ability of local governments to undertake such projects. The 80 percent state share would also be in-line with similar programs in surrounding states. The increased funding would compensate for the increased program cost share and increased program demand, allowing more projects to be undertaken.

## DIN 5301: SOUTHEAST WISCONSIN FREEWAY MEGAPROJECTS

| DEPARTMENT: 395   |                             | PROGRAM: 09     |     | SUBPROGRAM: 01  |     | APPROPRIATION: 961 |     | DECISION ITEM: 5301 |  |
|-------------------|-----------------------------|-----------------|-----|-----------------|-----|--------------------|-----|---------------------|--|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST   |     | 2ND YEAR COST   |     | TOTAL              |     |                     |  |
| 06                | SUPPLIES & SERVICES         | 10,665,600.00   |     | 7,914,600.00    |     | 18,580,200.00      |     |                     |  |
| 13                | MC IMPR/R-E/MAINT/ENG SERV  | 344,855,600.00  |     | 255,906,600.00  |     | 600,762,200.00     |     |                     |  |
| 15                | MAJOR COSTS CHARGES/CREDITS | 344,855,600.00- |     | 255,906,600.00- |     | 600,762,200.00-    |     |                     |  |
| 16                | DELIVERY CHARGES/CREDITS    | 10,665,600.00-  |     | 7,914,600.00-   |     | 18,580,200.00-     |     |                     |  |
| 17                | TOTAL COST                  |                 | .00 |                 | .00 |                    | .00 |                     |  |

**SUMMARY:** The Department requests the following modifications to the Southeast Wisconsin Megaprojects appropriations:

- \$190,521,200 SEG in FY 16 and \$84,583,200 SEG in FY 17 in Appropriation 374, s.20.395(3)(aq), Wis. Stats.
- \$64,238,000 FED in FY 17 in Appropriation 378, s.20.395(3)(ax), Wis. Stats.
- Create Appropriation 391, s.20.395(3)(ar), Wis. Stats for Transportation Revenue Bonds (Service Funds) for Southeast Wisconsin Freeway Megaprojects
- \$165,000,000 SEG Service in FY 16 and \$115,000,000 SEG Service in FY 17 in Appropriation 391, s.20.395(3)(ar), Wis. Stats.

**DISCUSSION:** The Department is actively working on two separate projects within the Southeast Wisconsin Freeway Megaprojects Appropriation: the I-94 North South corridor reconstruction in Kenosha, Racine and Milwaukee counties and the Zoo Interchange reconstruction in western Milwaukee County. The Department has a vision for total highway reconstruction in the Southeast Region by 2032.

The Departmental program request for is \$441.7 million in FY16 and \$350.0 million in FY17. The Departmental biennial budget total is \$791.7 million.

The 35 miles that comprise the I-94 North South corridor are being reconstructed to address safety, congestion and long-term pavement needs. The total project budget of \$1.65 billion will convert the current six-lane divided freeway to an eight-lane divided freeway by 2021. The FY 16 and FY 17 budgets will allow for finalization of project design, completion of the Ryan Road Interchange, and the completion of all frontage roads. Future biennia will fund the completion of mainline work through northern Kenosha, Racine and southern Milwaukee Counties.

The Zoo Interchange in western Milwaukee County is the most heavily traveled interchange in Wisconsin, averaging over 350,000 vehicles per day. Originally constructed in 1963, the interchange is near the end of its useful life. Reconstruction is needed to address safety concerns, congestion and long-term pavement needs. The \$1.7 billion project will affect nine miles of interstate or US highways and several arterial roads between 2013 and 2018. This request includes funding for the completion of the Core of the Zoo Interchange (I-94, I-894, & I-41/USH45 interchange), the Center Street Bridge over I-41 (USH45), I-41 (USH45) from Swan Boulevard to Burleigh, and various other real estate, utility, and mitigation projects in the 2015-17 biennium.

The current biennial budget request process for Megaprojects is inefficient and causes conflicts in delivering projects. At the beginning of design, the Department creates an ideal construction/let schedule. While the Department must request additional funding every two years, if even one biennium deviates from the Megaproject's funding needs, it forces the Department to redesign the project to fit the provided funds. These redesigns may not resemble the original construction/let schedule and are generally not as economic or commuter friendly. Expending these additional funds could be avoided by establishing a consistent and expected basis of funding every fiscal year.

Similar to the Zoo Interchange Project, nearly all of the freeways in Southeastern Wisconsin were constructed in the 1950s-70s and are due for reconstruction. Many of the segments have an overall projected reconstruction cost in excess of \$500 million which will classify their reconstruction as Megaprojects. For the Department to plan an efficient Southeastern Wisconsin Freeway Megaprojects program, a dependable revenue stream is required. A future annual base budget of \$350 million will address the roadway condition, obsolete design, capacity issues, and high crash rate for:

- Zoo Interchange Project (approximately \$26,000,000 remaining after SFY16/17)
- I-94 North-South Freeway Project (Illinois State Line to Mitchell Interchange)
- I-94 East-West Freeway Project (from 70<sup>th</sup> Street to 16<sup>th</sup> Street)
- I-894 Bypass (IH-894, Lincoln Ave to 27<sup>th</sup> Street; I-43, Moorland Rd to I-894 including Hale IC)
- I-41 (USH45), Zoo Interchange to Richfield Interchange
- I-43, Mitchell Interchange to Silver Spring (excluding the Marquette Interchange)
- I-94, Jefferson County Line to Zoo Interchange (Milwaukee County Line)

The new base budget (beginning in FY17) would allow the Department to reconstruct all interstate segments in Kenosha, Milwaukee, Racine, and Waukesha Counties, as well as a portion of the interstate in Washington County, (105 miles of interstate) that are in need of reconstruction by the end of CY32.

**Department of Transportation  
2016-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** State Highway Facilities

**DIN NUMBER:** 5301

**ISSUE TITLE:** Southeast Wisconsin Freeway Megaprojects—Base Budget

**REQUEST:**

The Department requests increased funding and the creation of a new Southeast Wisconsin Freeway Megaprojects program appropriation. Specifically, the Department requests:

- \$190,521,200 SEG in FY 16 and \$84,583,200 SEG in FY 17 in Appropriation 374, s.20.395(3)(aq), Wis. Stats.
- \$64,238,000 FED in FY 17 in Appropriation 378, s.20.395(3)(ax), Wis. Stats.
- Create Appropriation 391, s.20.395(3)(ar), Wis. Stats for Transportation Revenue Bonds (SEG-S) for Southeast Wisconsin Freeway Megaprojects
- \$165,000,000 SEG-S in FY 16 and \$115,000,000 SEG-S in FY 17 in Appropriation 391, s.20.395(3)(ar), Wis. Stats.

This request will provide sufficient funding for the Southeast Wisconsin Freeway Megaprojects Program to keep current projects, such as the Zoo Interchange project on schedule. It will also create a \$350 million base budget starting in FY 17 which will allow the Department to better program projects, maximize construction efficiencies, minimize redesigns, and improve construction sequencing.

**SUMMARY:**

Improvements to Southeast Wisconsin's freeway network are needed to facilitate freight movements, personal and business travel, and tourism throughout the state. A significant portion of high traffic freeways and bridges in the region are deteriorating, functionally obsolete, and in need of reconstruction. This request will keep the largest and most complex projects on schedule and establish a sustainable base of funding for future projects.

Total funding of \$791,700,000 over the 2015-17 biennium is needed to remain on schedule to complete work on the Zoo Interchange reconstruction and the I-94 North-South Freeway reconstruction. In addition the request funds work on the following study projects: I-94 East-West Freeway, I-894 Bypass and I-94 East West in Waukesha County. The largest single component of this request is funding for the Zoo Interchange project. Originally constructed in 1963, the Zoo Interchange is the largest and most heavily used interchange in Wisconsin, carrying over 350,000 vehicles daily. Specific needs by project are detailed in Table 1.

**Table 1**  
**2015-17 SE Megaproject Needs by Project**

| Project                  | FY 16                | FY 17                | Biennium Total       |
|--------------------------|----------------------|----------------------|----------------------|
| Zoo Interchange Project  | \$408,200,000        | \$215,000,000        | \$623,200,000        |
| I-94 North South Project | 5,000,000            | 42,200,000           | 47,200,000           |
| I-94 East West Project   | 23,500,000           | 76,500,000           | 100,000,000          |
| NEPA Studies*            | 5,000,000            | 16,300,000           | 21,300,000           |
| <b>TOTAL</b>             | <b>\$441,700,000</b> | <b>\$350,000,000</b> | <b>\$791,700,000</b> |

\*The Department proposes beginning the NEPA process for the I-894 Bypass and the I-94 East West Freeway in Waukesha County.

The Southeastern Wisconsin Freeway Megaprojects program has relied on a mix of state and federal revenues as well as General Obligation (GO) bond proceeds. In the 2013-15 biennium, the total program budget was \$517 million. However, the state and federal base level funding upon which the new biennium will be based is \$86.1 million with GO bonds making up the difference. State statutes do not appropriate the principal on any GO bonds, consequently, they are not base building. Planning for the future of a program where 60% of the budget isn't dependable results in less than efficient planning and delivery of projects.

An \$86.1 million base budget does not reflect program needs. Since the first Southeast Wisconsin Freeway and Megaproject, the Marquette Interchange reconstruction project, the Department has determined there is a significant and ongoing need for the Megaprojects program. The Department is working toward a vision that by the end of CY 32, all interstate segments in Kenosha, Milwaukee, Racine, and Waukesha counties, as well as portion of interstate in Washington County, for a total of 125 miles of interstate will be reconstructed. Similar to the Zoo Interchange Project, nearly all of the freeways in Southeastern Wisconsin were constructed in the 1950s-70s. Many of the segments have an overall projected reconstruction cost in excess of \$500 million which would classify their reconstruction projects to be Megaprojects. Ongoing, planned, and potential megaprojects include:

- Zoo Interchange Project (I-94; 124<sup>th</sup> to 70<sup>th</sup> and I-894/USH45; Lincoln to Burleigh)
- I-94 North-South Freeway Project (I-94; Russell Road (IL) to Mitchell Interchange)
- I-94 East-West Freeway Study/Project (I-94; 70<sup>th</sup> to 16<sup>th</sup>)
- I-894 Bypass (I-894; Lincoln Ave to 27<sup>th</sup> St and I-43; Moorland Rd to IH-894)
- I-41 (USH45), Zoo Interchange to Richfield Interchange
- I-43, Mitchell Interchange to Silver Spring
- I-94, Jefferson County Line to Zoo Interchange (Milwaukee County Line)

For a full description of projects and anticipated costs by biennia, please see Appendix A.

Having a realistic program base will allow the Department to effectively plan and stage complex, multiyear projects. Typically, the Department develops project design and construction schedules based upon a number of factors, including completion of other projects, ability to acquire real estate and resolve utility issues, and the most efficient approach to project staging. Budget constraints will always exist, however, having an appropriately sized program base would allow department staff to more reliably schedule and phase projects within that level of funding.

By expanding the eligible use of Transportation Revenue Bonds (TRBs) to the SE Megaprojects, a \$350 million base can be established for the program beginning in FY 17. Past budgets have relied on GO bonds due not only to significant fluctuations in program cost from year to year, but also because these projects will have a significant service life. Bonding is one method of passing the cost of these projects to future users. The Department requests redefining TRBs so that they can be utilized on the Megaprojects program. As a result of this request, GO bonds would no longer be utilized for this program.

## **JUSTIFICATION:**

The Department is committed to preserving and improving transportation infrastructure throughout the state as efficiently as possible. Large infrastructure projects are often planned and delivered over multiple years, often using a combination of funding sources. The Department's other highway infrastructure development and maintenance programs – the State Highway Rehabilitation (SHR), the Major Highway Development (Majors), and State Highway Maintenance programs have established base budgets that allow it to align and plan expenditures within an expected funding stream. The Southeast Wisconsin Freeway Megaprojects Program has a base budget that does not reflect projected needs.

Creation of the Southeast Wisconsin Freeway Megaprojects Program (and its predecessor the Southeast Wisconsin Freeways program) provided better oversight over these regionally significant and unique projects. However, as the program has matured, it is evident that reconstruction of the freeway system in that region will continue to demand significant resources. For example:

- The majority of freeways in southeastern Wisconsin experience extreme levels of hourly congestion throughout an average weekday. Congestion is estimated to increase by 130% by 2020. Most of the freeways currently exceed their traffic capacity, resulting in a poor Level of Service (LOS). By 2035, nearly 60% of freeway segments may have a rating of F, resulting in a 287% increase of high congested traffic.
- Most of the older freeways in southeastern Wisconsin don't meet a number of current design standards, which may contribute to the number of accidents within the corridors.
- Seventy-seven miles of freeway in southeast Wisconsin have higher than average crash rates and 64 miles of freeway have higher than average fatal crash rates when compared to similar roadways throughout the state.
- Forecasts for 2019 anticipate 68 miles (28% of total miles) of poor pavement conditions and 28 miles (12% of total miles) of fair pavement conditions.

The Department recognizes the need for a higher base budget to deliver the Southeast Wisconsin Freeway Megaproject Program. The proposed base budget and use of TRBs would provide a consistent funding source upon which the Department can rely, allowing the Department to focus its efforts on prioritizing reconstruction efforts based on need. The proposed base budget would also provide the means to improve traffic flow, accommodate standard design requirements, and improve safety in the most efficient manner.

The Department's goal is to transition the Southeast Wisconsin Freeway Megaproject Program from a project based budget (Marquette Interchange, I-94 North South or Zoo projects) to a program based budget. Contributing to that goal is the reality that the Department will be working on multiple projects during any given biennium. A project based budget disrupts the entire program if a single let comes in above estimates. The typical departmental protocol, as seen in the Majors or SHR programs, allows the Department to accelerate or decelerate projects depending upon the health of the program, rather than focusing on any individual project. The Department has been extremely successful in both the Majors and SHR programs through the application of asset management principals to sequence projects and treatments. The Department would like to take the model that exists for these two programs and apply those to the Southeast Wisconsin Freeway Megaproject Program.

The state has traditionally used bonding as a financing tool on large infrastructure projects. The use of debt on high cost projects with an expected service lives of 50 or more years is appropriate and consistent with a user fee approach to transportation funding. Typically, state issued bonds are paid back over 20 years. For these facilities, future users through the payment of motor fuel taxes and vehicle fees bear some of the cost of construction.

The use of TRBs on Southeastern Wisconsin Freeway Megaprojects is also consistent with the user fee approach because debt service payments are paid for through a pledged revenue stream. Expanding the use of TRBs has been limited in the past by limited growth in the pledged revenue stream, primarily motor vehicle registration and related fees. The Department's budget request includes revenue initiatives that will enhance the pledged revenue stream so that TRBs can be a financing tool for the Megaprojects program. Because TRB principle/principal amounts are base building, their use will help to establish a realistic base for the program moving forward.

To summarize the Department's request:

- Increase to SEG base of \$190,521,200 in FY 16 and \$84,583,200 in FY 17
- Increase to FED base of \$64,238,000 in FY 17
- Create Appropriation 391 for the use of TRBs in the Southeast Wisconsin Freeway Megaproject Program
- Increase to SEG-S (Appropriation 391) base of \$165,000,000 in FY16 and \$115,000,000 in FY 17

## Appendix A

### **Zoo Interchange Project (I-94; 124<sup>th</sup> to 70<sup>th</sup> and I-894/USH45; Lincoln to Burleigh):**

Final project design continues. Acquisition of parcels for the North Leg and utility relocations are necessary for completion of the project. This request includes funding for the completion of the Core of the Zoo Interchange (I-94, I-894, & I-41/USH45 Interchange), the Center Street Bridge over I-41 (USH45), I-41 (USH45) from Swan Boulevard to Burleigh, and various other real estate, utility, and mitigation projects. Several small lets will remain for future biennia to complete the project by the end of CY18.

### **I-94 North-South Freeway Project (I-94; Russell Road (IL) to Mitchell IC):**

While many of the high profile projects within the I-94 North-South corridor are complete, funding is needed in the 2015-17 biennium to update plans and specifications to current design standards. In order to complete construction by the end of CY21, funding in the 2015-17 biennium is needed for the Ryan Road (STH100) Bridge, box culverts from Ryan Rd to Rawson Ave, and the northbound and southbound frontage roads from STH11 to STH20. Future funds will complete the mainline I-94 work through northern Kenosha, Racine, and southern Milwaukee Counties.

### **I-94 East-West Freeway Study/Project (I-94; 70<sup>th</sup> to 16<sup>th</sup>):**

The proposed project will reconstruct the freeway from a six-lane divided freeway to an eight-lane divided freeway. An environmental study is underway and the selection of a preferred alternative for the corridor is expected in mid CY15. In order to expand the freeway, real estate acquisition and utility relocation will be required in the 2015-17 biennium. Future base funds will allow for the reconstruction of the 3.5 mile corridor.

### **I-894 Bypass (I-894; Lincoln Ave to 27<sup>th</sup> St and I-43; Moorland Rd to I-894):**

This 11-mile corridor in Milwaukee and Waukesha Counties requires an environmental study to determine the extent of reconstruction and expansion necessary. Initial Prioritization and Southeastern Wisconsin Regional Planning Commission (SEWRPC) studies indicate that expansion is necessary, but a formal environmental study will determine the accuracy of the studies and scope of construction. The environmental study's conclusions and determinations will provide the Department with guidance on a preferred alternative and future construction plans within the corridor. The Department proposes to begin the environmental study process for this corridor during the 2015-17 biennium. Once the preferred alternative is selected, real estate acquisition, utility relocations, and traffic mitigation projects will be needed in preparation for mainline construction. These costs will be included in future base funds.

### **I-41 (USH45), Zoo Interchange to Richfield Interchange:**

An environmental study will determine the extent of reconstruction necessary within the corridor. Initial Prioritization and SEWRPC studies indicate that reconstruction is necessary and expansion may be required; however a formal environmental study is needed to determine the scope of construction. After the selection of a preferred alternative, the Department may begin any real estate acquisition, utility relocations, and/or traffic mitigation projects in preparation for mainline construction.

### **I-43, Mitchell IC to Silver Spring:**

This corridor, in Eastern Milwaukee County, currently contains several interchanges with collector/distributor lanes, and many freeway and/or ramps in close proximity to commercial and residential properties. Initial Prioritization and SEWRPC Studies indicate that expansion may be required however the corridor requires an environmental study to develop a preferred alternative which will determine acquisition needs, utility relocations, and traffic mitigation projects needed prior to mainline construction.

***I-94, Jefferson County Line to Zoo IC (Milwaukee County Line):***

This corridor, through Waukesha County, requires an environmental study to determine the extent of reconstruction and whether expansion is necessary. Initial Prioritization and SEWRPC studies have indicated that reconstruction is necessary and expansion may be needed, but this cannot be confirmed without a completed environmental study. The Department proposes to begin the environmental study process during the 2015-17 biennium for this corridor. Once the preferred alternative is selected real estate acquisition, utility relocations, and traffic mitigation projects will be needed in preparation for mainline construction.

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5301

**TOPIC** Increase Statutory Limit for Transportation Revenue Bonding

**DESCRIPTION OF CHANGE:**

The Department requests an increase for the Transportation Revenue Bonding Program authorized under s. 84.59(6) Wis. Stats., of \$814,325,900. This increases total authorized bonding from \$3,768,059,300 to \$4,582,385,200.

**JUSTIFICATION**

The authorized level of revenue bonds established under s. 84.59(6), Wis. Stats., is adjusted under this request to reflect upcoming bonding needs at the established appropriation dollar level in the biennial budget.

Under current law, the Building Commission is authorized to issue up to \$3,799,778,900 of revenue bonds to finance major highway and administrative facilities projects. Currently, the Department has \$243,213,100 in remaining unused authority. The Department anticipates requesting the sale of \$225,734,500 in Transportation Revenue Bond sales prior to the end of the 2013-2015 biennium. In order to determine the level of additional authority required in the budget, a portion of the projected bonding needs from the 2017–19 biennium is added to the estimated bonding required in the 2015–17 biennium to ensure sufficient bonding authority exists for projects initiated in the biennium. The required authority calculation is as follows:

|   |                      |
|---|----------------------|
| Estimated Balance of Unused Bonding Authority | (\$243,213,100)      |
| FY15 Anticipated Bond Sale                    | \$225,734,500        |
| 2015-17 Anticipated Bonds Sale                | \$716,804,500        |
| 2017–19 Anticipated Bonds Sale                | <u>\$115,000,000</u> |
| Total Additional Authority Requested          | \$814,325,900        |

The adjustments identified above are consistent with the level of bonding for major highway projects, anticipated Southeast Wisconsin Freeway Megaprojects and transportation administrative facilities included in this request.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5301

**TOPIC** Modifications needed for Southeast WI Freeway Megaprojects Program

**DESCRIPTION OF CHANGE:**

The Department requests the following modifications to define and enumerate three additional projects (I-94 East West Project, I-94 East West Freeway in Waukesha County and I-894 Bypass and Hale Interchange Project) in the Southeast Wisconsin Freeway Megaprojects Program.

**JUSTIFICATION:**

The freeways in southeastern Wisconsin were built between 1950 and 1970. When the freeway was originally built, the pavement was designed to last approximately 25 years. The first repave was planned to last 15 years and the second 10 years for an overall lifecycle of approximately 50 years. While not recommended, a third repave will produce an additional six to eight years of additional life. Due to budgetary constraints, the Department has repaved many roads within the project boundaries for a third time.

The Department has a comprehensive 15 year vision for the southeast region. This vision will reconstruct all interstate segments in Kenosha, Milwaukee, Racine and Waukesha counties, as well as a portion of the interstate in Washington County (105 miles of interstate) that are in need of reconstruction by 2032. The first step towards accomplishing that vision is to enumerate two additional regional projects as Southeast Wisconsin Freeway Megaprojects. Those two projects are the I-94 East West Project and I-894 Bypass and Hale Interchange Project. These statutory modifications will define and enumerate the projects. Enumeration of these two projects will allow the Department to determine the most effective schedule for reconstruction and begin preliminary design work.

The Department requests the following modifications:  
Renumber 84.0145 (1) (a) Wis. Stats., to 84.0145 (1) (ap) Wis. Stats.,

Create in 84.0145 (1) (ad) Wis. Stats., to read

(ad) "I 894 bypass and Hale interchange project" means the reconstruction of the I 894 freeway in Milwaukee County from Lincoln Avenue to 27th Street and the I 43 freeway from Moorland Road to I 894, including all service interchanges and the system interchange of I 894 and I 43, also known as the Hale interchange.

Create 84.0145 (1) (a) (ah) Wis. Stats., to read

(ah) "I 94 east-west project" means the reconstruction of the I 94 freeway in Milwaukee County from 70th Street to 16th Street, including all service interchanges and the system interchange with USH 41, also known as the stadium freeway interchange

Create 84.0145 (1) (a) (at) Wis. Stats., to read

"I 94 Waukesha County project" means the reconstruction of the I 94 freeway from Willow Glen Road in Jefferson County to STH 100 in Milwaukee County, including all interchanges. The I 94 Waukesha County project shall be considered a southeast Wisconsin megaproject in its entirety, notwithstanding the western terminus of the project is located in Jefferson County.

Create 84.0145 (3) (b) 3., 4., and 5. Wis. Stats., to read

3. The I 894 bypass and Hale interchange project.
4. The I 94 east-west project.
5. The I 94 Waukesha County project

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5301

**TOPIC** Expand Statutory Purpose for Transportation Revenue Bonding

**DESCRIPTION OF CHANGE:**

The Department requests to expand the use of Transportation Revenue Bonds (TRBs) to allow their use in the Southeast Wisconsin Freeway Megaprojects Program. Expanding the use of TRBs will be offset with two new fees (Highway Use Fee and Hybrid/Electric Vehicle Fee) that will be pledged to maintain the Department's coverage ratio. The following statutes need to be modified:

- Expand s. 84.59(1) Wis. Stats., to include Southeast Wisconsin Freeway Megaprojects Program as an eligible use
- Expand s. 84.59(1) Wis. Stats., to include two new fees added to the Departmental pledge in 341.25 (Highway User Fee and Hybrid/Electric Fee)
- Create s. 20.395(3)(ar) as 84.59(1) Wis. Stats., to reflect SEG Service budget authority for Southeast Wisconsin Freeway Megaprojects Program
- Expand 84.59(1) Wis. Stats. to include Southeast Wisconsin Freeway Megaprojects under 84.0145, and 84.0145 (2) should also be updated to include the new (3)(ar).
- Add "and 20-- Wisconsin Act --, section --" to s. 20.395(3)(ar) Wis. Stats.,

**JUSTIFICATION:**

The Southeast Wisconsin Freeway Megaproject Program is currently the only highway improvement program that does not have a sufficient base budget. Projects funded from this appropriation cannot be completed within a biennium. The uncertainty of future program funding resulted in the Department needing to redesign projects and creating neither economic nor commuter friendly decisions.

The majority of roads for which the Department is responsible in southeastern Wisconsin were built between 1950 and 1970. A new roadway should have an initial lifecycle of 25 years. The first repave should provide an additional 15 years; the second repave ten years. The Department has repaved several segments for a third time, as the Department didn't have resources to rebuild the roadway. This is an inefficient use of dollars as only six to eight years of life are added to the road.

Creating a consistent base budget will allow the Department to maximize efficiencies, minimize redesigns, and improve sequencing and staging in the Southeast Wisconsin Freeway Megaproject Program.

## DIN 5302: HIGHWAY PROGRAM FUNDING

|                   |                             |                |                    |                     |                 |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------------|
| DEPARTMENT: 395   | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 5302 |                 |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL           |
| 06                | SUPPLIES & SERVICES         |                | 3,000,000.00       | 6,870,000.00        | 9,870,000.00    |
| 13                | MC IMPR/R-E/MAINT/ENG SERV  |                | 97,000,000.00      | 222,130,000.00      | 319,130,000.00  |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 97,000,000.00-     | 222,130,000.00-     | 319,130,000.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 3,000,000.00-      | 6,870,000.00-       | 9,870,000.00-   |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00             |

**SUMMARY:** The Department requests the following modifications to the Highway Program to increase funding and realign state and federal appropriation levels.

|  | <u>FY 16</u>       | <u>FY 17</u>       |
|--|--------------------|--------------------|
| <b>Major Highway Development Program</b>         |                    |                    |
| Appropriation 362, s. 20.395(3)(bq), Wis. Stats. | -10,000,000        | -10,000,000        |
| Appropriation 382, s.20.395(3)(bx), Wis. Stats.  | <u>60,000,000</u>  | <u>60,000,000</u>  |
| Total Majors Change                              | 50,000,000         | 50,000,000         |
| <b>State Highway Rehabilitation Program*</b>     |                    |                    |
| Appropriation 363, s.20.395(3)(cq), Wis.Stats.   | 110,000,000        | 239,000,000        |
| Appropriation 383, s.20.395(3)(cx), Wis.Stats.   | <u>-63,000,000</u> | <u>-63,000,000</u> |
| Total SHR Change                                 | 47,000,000         | 176,000,000        |
| <b>Bureau of Traffic Operations</b>              |                    |                    |
| Appropriation 356, s.20.395(3)(ez), Wis.Stats.   | 3,000,000          | 3,000,000          |

### DISCUSSION:

#### *Majors Program Increase*

The Majors Highway Development Program (Majors) funds high-cost rehabilitation and large capacity projects on the state trunk highway system. Twelve Majors projects are currently scheduled for construction in future years. The estimated cost to complete these projects is \$3.1 billion. Without additional funding, completion of these projects, which have already been identified as necessary to enhance safety and support economic growth, will be delayed six years, resulting in a 22 percent increase in congested state highway miles. Completing these projects in a timely manner will allow the State to receive the benefits of enhanced safety, reduced congestion, quicker and more reliable travel times, and lower shipping costs.

Assuming Majors Program funding continues at the FY 15 levels, completion of all currently enumerated projects and five of the Major Highway studies will not occur until 2032. Typically 30-50% of the cost of a Majors Project involves pavement restoration that would need to be done with or without capacity expansion. Without a funding increase for the Majors Program, it will become increasingly difficult for the State to enumerate or study additional candidate projects as federal and state law require construction to commence within certain timelines following enumeration and completed environmental documents.

The Transportation Policy and Finance Commission recommended providing additional annual funding over the next ten years to enhance the Department's ability to address the state's most congested and dangerous corridors in a timely manner. An additional \$50 million in each year will ensure that the program's current schedule is not impacted and allow the Department to deliver traffic flow, safety, and economic benefits sooner than would be delivered without a funding increase.

#### *State Highway Rehabilitation Program Increase*

The State Highway Rehabilitation (SHR) Program funds reconstruction, preservation, service life extension and safety enhancements on Wisconsin's state trunk and connecting highways, including the Interstate system. The SHR program funds highway and bridge improvements on more than 11,800 miles of state trunk and connecting highways, including the Interstate system, constructed in the 1950s and 1960s. Typical SHR improvement projects might include: resurfacing, structural overlay, crack and joint repair, minor lane and shoulder widening, minor alterations to vertical grades and horizontal curves, bridge repair, and removal or protection of roadside obstacles. A large portion of the Interstate system has either reached the end of its useful life or will do so in the next five to ten years. Costly reconstruction projects required on the Interstate system consume significant financial resources and sometimes delay needed rehabilitation projects on other state highways.

The SHR Program has three components: the Backbone program, the 3R program and the bridge program. However, the Backbone and 3R program comprise the majority of the program. The Backbone program includes 1,580 miles of freeways and expressways connecting major economic areas of the state. This includes Wisconsin's 743 miles of Interstate highways. The 3R Program resurfaces, reconditions and reconstructs existing roadways. Additionally, the 3R program includes the minor addition of lanes, traffic and safety improvements, and minor realignments of roadway.

Currently, seven percent of roadway miles in the Backbone Program have been classified as poor or worse conditions. Simply maintaining current funding levels through the year 2023 will translate into 23% of roadway miles classified as poor or worse conditions. The magnitude of increase for the 3R Program is similar. Currently 23% of roadway miles are classified as poor or worse, with an anticipated increase to 47% by the year 2030 if funding is not increased.

The Transportation Policy and Finance Commission recommended providing additional funding over 10 years to enhance the Department's ability to maintain current conditions on the Backbone system, which carries the majority of traffic on state highways and to slow deterioration of conditions on the 3R network. An additional \$47 million in FY 16 and \$176 million in FY 17 will help maintain system condition to the status that it is in today.

Note: DIN 5202 modifies SHR funding allocations in FY 17 by decreasing SEG funding by \$27.4 million and increasing federal funding by \$27.4 million. The net effect of the reallocations results in no additional funding provided to the program.

### *Federal Funding Reallocation*

Wisconsin allocates federal funds to use in the highway program. Currently 40% of the total highway funds in Wisconsin are provided by the federal government. The use of federal funds on a project introduces a variety of additional restrictions and requirements that could result in project decisions that increase costs beyond what would be necessary if federal dollars were not used on the project. Consolidating federal dollars to fewer projects by transferring federal dollars from SHR to Majors will enhance the Department's flexibility to employ creative cost saving programming opportunities in SHR that may not be presently sanctioned by the Federal Highway Administration (FHWA).

SHR projects focus primarily on the reconstruction, preservation, and service life extension and safety enhancements of the 11,800 miles of state trunk and connecting highways. The Majors Program funds high-cost rehabilitation and large capacity projects, excluding Southeast Wisconsin freeway megaprojects and high-cost bridges. Major projects often add capacity, improve mobility, and increase safety, by adding lanes or improving intersections to accommodate current and projected traffic volumes. Certain large SHR projects may be eligible for funding through the Majors program due to the substantial costs of the project (for example the Verona Road project in Madison).

The use of any federal dollars at any stage of a project subjects the entire project to all federal requirements. Federally-funded highway projects are required to undergo a project development process that includes a number of steps starting from project planning through post-construction review. Federal requirements, such as federal wage law (Davis-Bacon Act), National Environmental Policy Act (NEPA) environmental documentation, and Disadvantage Business Enterprise goals, only apply to projects that use federal funding. Nearly all Majors projects have federal oversight and federal financial participation which is appropriate given their size, cost and economical and social impact. The SHR Program includes many projects that are 100% state funded and involve no federal funding at any stage of the project.

Over the past decade spending on highway infrastructure has not kept pace with inflation. While the needs of an aging system increase, purchasing power has decreased. However, the Department is committed to ensure that the right projects are being constructed in the right location at the right time. Determining the correct project scope requires more than looking at the needs of the road being addressed by a given project but also consideration of the needs of the total system.

The Department has implemented innovative asset management techniques and performance measures to prioritize highway needs and expand the effectiveness of our investments, including developing a strategy to cost effectively address SHR system needs. These techniques are more comprehensive than "maintenance" activities but less costly than those employed by the 3R improvement program. Nationally, this strategy is known as a "2R program." The 2R strategy uses asset management and prioritization principles to identify priority areas on the state trunk network based on traffic volumes and patterns, safety needs, and highway functional classification. The pavement treatment selected for these 2R segments may not be as comprehensive or robust as the treatments currently employed in the 3R program; however, the resulting ability to treat more highway miles, often earlier in their lifecycles, facilitates extension of system lifespan. The development of a 2R program enhances the Department's ability to rapidly pursue opportunities to maximize the overall system condition or remaining service life years on our pavements. The efficiency of a 2R program is enhanced by funding exclusively with state dollars. Since nearly 100% of the Majors program is already under federal oversight policies, increasing federal funding on those projects creates no additional compliance or scope requirements and allows for the possibility of redirecting state funds to exclusively fund 2R type projects.

### *Bureau of Traffic Operations*

This funding reallocation is discussed in DIN 5306.

**Department of Transportation**  
**2015-2017 Biennial Budget Request**  
**STATUTORY MODIFICATIONS**

**DIN:** 5302

**TOPIC** Eliminate Completed Enumerated Major Projects

**DESCRIPTION OF CHANGE:**

The Department requests that completed enumerated Major Highway Projects be removed from s 84.013(3) Wis. Stats.

**JUSTIFICATION**

The following enumerated highway projects are complete and open to traffic. The projects have been reported to the Transportation Projects Commission and construction aspects of the projects have been closed in the Department's financial system. Removing these projects will allow statues to better reflect only the projects that are currently in progress or authorized for study. The Department requests removing the following projects currently listed under s 84.013(3), Wis Stats.

**(ai)** USH 141 extending approximately 15.4 miles between Lemere Road and 6th Road in Oconto and Marinette counties.

**(kg)** STH 16 and STH 16/67 extending approximately 7.4 miles from the junction of STH 16 with the Rock River to the STH 16/67 interchange east of Oconomowoc, designated as the Oconomowoc bypass, in Jefferson and Waukesha counties.

**(rm)** USH 151 between CTH "D" and STH 149, designated as the Fond du Lac bypass, in Fond du Lac County.

**(tr)** STH 110 between USH 41 and approximately 1.5 miles north of STH 116 in Winnebago County.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN NUMBER:** 5302

**TOPIC:** Prevailing Wage

**DESCRIPTION OF CHANGE:**

Modify s. 66.0903(4), s. 103.49(2m), and s. 103.50(2m), Wis. Stats, to apply the state's prevailing wage law to the trucking of mineral aggregate to a job site in the same manner it is applied to trucking of other material. Under current law, if the material being delivered to the job site comes from a commercial source, the trucking of that material would not be subject to prevailing wage unless it is mineral aggregate. Under the proposed change the exception for delivery of mineral aggregate would be eliminated.

**JUSTIFICATION:**

The purpose of the proposed change is to make the state's prevailing wage law clearer, more consistent, and aligned more closely with the federal Davis Bacon Act.

Federal law. The federal Davis Bacon and related Acts, "DBRA," codified in 29 CFR Part 5, applies to all work performed on highway projects on the federal-aid highways, and provides a minimum, or "prevailing wage," that must be met or exceeded by states on Federal-aid highway projects. Thus, Wisconsin must, at minimum, pay prevailing wage pursuant to DBRA on federal aid highway projects. Pursuant to DBRA, contractors and subcontractors must pay their laborers and mechanics employed directly upon the "site of work" no less than the locally prevailing wage. The central question is where is the "site of work," and where does it end. As "site of work" is applied to truckers, Wisconsin has taken the position, based on DBRA case law, industry input and department experience that a material source that is *dedicated* to a project is considered the site of work, whereas a *commercial* source, which sells to others and/or is not dedicated to a project is not the site of work. This standard complies exactly with DBRA language, and is codified in Wisconsin statutes. The sections of the statutes proposed for amendment currently extends coverage beyond DBRA.

Current state law: Under the current prevailing wage law in Wisconsin, certain laborers, workers, mechanics, and truck drivers employed on the site of a state or local public works project (such as a highway improvement project) must be paid at the "prevailing wage" and "prevailing hours."<sup>2</sup> Under current law, the prevailing wage law applies to a truck driver employed in the furnishing of materials from a facility *dedicated exclusively, or nearly so*, to a project of public works. However, it does not apply to a truck driver who is regularly employed to deliver materials from a commercial facility (one that is not dedicated exclusively, or nearly so, to a project of public works), unless the truck driver is employed to deliver mineral aggregate from its source to the site of a project of public works by depositing the mineral aggregate directly in final place from the transporting vehicle or through spreaders from the transporting vehicle. As noted, this provision extends Wisconsin law beyond federal law and has complicated administration of the state and federal laws.

To create consistency, the proposed change would establish that, without exception, the prevailing wage law does not apply to a truck driver who is regularly employed to deliver materials from a commercial facility to a project of public works. Such a truck driver, however, remains covered under the prevailing wage law for work performed on the site of the project.

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<sup>2</sup> The prevailing wage, determined by the state's Department of Workforce Development, is the rate paid for a majority of the hours worked in the person's trade or occupation in the county in which the project is located. Prevailing hours not mean that workers may be required or permitted to work more than ten hours per day and 40 hours per week, unless they are paid 1.5 times their basic rate of pay (overtime pay) for all hours worked in excess of the prevailing hours of labor.

As proposed, the change would apply upon passage, except if contracts are in place that are in conflict with the change, then the change would apply in those instances after expiration of the contracts.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN NUMBER:** 5302

**TOPIC:** Delete ARRA Appropriations

**DESCRIPTION OF CHANGE:**

The Department requests deletion of four appropriations that were created in 2009 Act 28, the 2009-11 biennial budget, for the purpose of managing and tracking special federal funds allocated to Wisconsin as part of the American Recovery and Reinvestment Act of 2009 (ARRA). The appropriations that would be deleted under this request include:

- Appropriation 390 s. 20.395 (3) (cx) State highway rehabilitation, Federal Stimulus Suballocations Funds;
- Appropriation 397 s. 20.395 (3) (cx) State highway rehabilitation, Federal Stimulus Funds;
- Appropriation 395 s. 20.395 (3) (bx) Major highway development, Federal Stimulus Funds;
- Appropriation 396 s.20.395 (3) (cy) Southeast Wisconsin freeway rehabilitation, Federal Stimulus Funds.

**JUSTIFICATION:**

ARRA, also referred to as The Recovery Act, was an economic stimulus package enacted by the 111th United States Congress in February 2009. The purpose was to stimulate economic recovery and a portion of the funding was allocated to state infrastructure projects including highway improvement projects managed by the Department. As part of the state's biennial budget that year, several appropriations were created to facilitate the detailed tracking of spending required by FHWA for ARRA funds. The ARRA funding was one-time, has been fully allocated to projects and there is no continuing purpose for these appropriations. To simplify budget maintenance, appropriations which are no longer used are typically deleted.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN NUMBER:** 5302

**TOPIC:** Attorney Fees Awarded Under Eminent Domain

**DESCRIPTION OF CHANGE:**

Current law allows awards of “reasonable attorney fees” under s.32.28, Wis. Stats. In 2011, the Legislature passed 2011 Wisconsin Act 92, which created s.814.045, Wis. Stats., and identifies factors for courts to consider in a dispute over the reasonableness of attorney fees.

The Department requests amending both ss. 32.28 and 814.045, Wis. Stats., to reflect that the factors identified in s. 814.045, Wis. Stats., are expressly applicable to eminent domain actions set forth in Chapter 32, Wis. Stats. This request also seeks to amend s.32.28, Wis. Stats., to reflect appropriate threshold amounts that trigger the recovery of reasonable attorney fees.

**JUSTIFICATION:**

Settlement in eminent domain cases can result in substantial savings in litigation expenses, swifter results for landowners, and cost savings for the Department by avoiding project delays. The Department is legally obligated to follow specific procedures in determining just compensation in eminent domain cases, and the amendments proposed. This request does not alter the calculation or amount to be paid as just compensation. This request will reduce an inequitable practice in eminent domain cases, which often results in landowners being encouraged not to settle cases with promises of an increased award. However, the landowner will often times receive a minimal increase in the award amount, but the attorneys litigating the matters are paid enormous amounts in fees. This practice is permitted, in part, due to the outdated provisions set forth in Chapter 32, Wis. Stats.

The Department is requesting amending s.32.28, Wis. Stats., to reduce the Department’s exposure to excessive attorney fee awards that result in an inequitable outcome for the landowner, taxpayers and ratepayers. Also, the proposed amendments would make s. 814.045(2), Wis. Stats., applicable to the attorney fees awarded under s. 32.28, Wis. Stats., eliminating a risk of exposure left by previous court decisions. Additionally, the threshold amounts defined in s. 32.28, Wis. Stats., have not been adjusted since 1977 and require an update to reflect current circumstances of eminent domain cases. These threshold amounts also bring Wisconsin more in-line with neighboring states’ threshold amounts.

Specifically, the Department requests the following:

- Amend s.814.045(2)(a), Wis. Stats., to limit reasonable attorney fees to three times the amount of additional compensation attained from the action.
- Amend s.32.28(3), Wis. Stats., to specify the terms by which expenses can be awarded to the condemnee as follows:

s.32.28, Wis. Stats.

**(1)** In this section, "litigation expenses" means the sum of the costs, disbursements and expenses, including reasonable attorney fees as determined under s. 814.045(2)(a), appraisal and engineering fees necessary to prepare for or participate in actual or anticipated proceedings before the condemnation commissioners, board of assessment or any court under this chapter.

**(2)** Except as provided in sub. (3), costs shall be allowed under ch. 814 in any action brought under this chapter. If the amount of just compensation found by the court or commissioners of condemnation exceeds the jurisdictional offer or the highest written offer prior to the jurisdictional offer, the condemnee shall be deemed the successful party under s. 814.02 (2).

- (3) In lieu of costs under ch. 814, litigation expenses shall be awarded to the condemnee if:
- (a) The proceeding is abandoned by the condemnor;
  - (b) The court determines that the condemnor does not have the right to condemn part or all of the property described in the jurisdictional offer or there is no necessity for its taking;
  - (c) The judgment is for the plaintiff in an action under s. 32.10;
  - (d) The award of the condemnation commission under s. 32.05 (9) or 32.06 (8) exceeds the jurisdictional offer or the highest written offer prior to the jurisdictional offer by at least \$5000 and at least 20% and neither party appeals the award to the circuit court;
  - (e) The jury verdict as approved by the court under s. 32.05 (11) or s. 32.06 (10) exceeds the jurisdictional offer or the highest written offer prior to the jurisdictional offer by at least \$5000 and at least 20%;
  - (f) The condemnee appeals an award of the condemnation commission which exceeds the jurisdictional offer or the highest written offer prior to the jurisdictional offer by at least \$5000 and at least 20%, if the jury verdict as approved by the court under s. 32.05 (10) or 32.06 (10) exceeds the award of the condemnation commission by at least \$5000 and at least 20%;
  - (g) The condemnor appeals the award of the condemnation commission, if the jury verdict as approved by the court under s. 32.05 (10) or 32.06 (10) exceeds the jurisdictional offer or the highest written offer prior to the jurisdictional offer by at least \$5000 and at least 20%;
  - (h) The condemnee appeals an award of the condemnation commission which does not exceed the jurisdictional offer or the highest written offer prior to the jurisdictional offer by 20%, if the jury verdict as approved by the court under s. 32.05 (10) or 32.06 (10) exceeds the jurisdictional offer or the highest written offer prior to the jurisdictional offer by at least \$5000 and at least 20%; or
  - (i) The condemnee appeals an assessment of damages and benefits under s. 32.61 (3), if the judgment is at least \$5000 and at least 20% greater than the award made by the city.

The following examples demonstrate the need for these amendments to achieve fair and reasonable results for landowners, taxpayers and ratepayers. These examples also illustrate the inequitable outcome in the failure to settle these cases. Specifically, these examples illustrate: (1) the substantially greater amount that the Department paid due to lack of settlement; (2) despite the additional amount paid by the Department, the minimal amount the landowner received; and (3) the substantially greater amount that was awarded in attorney fees when the matter was litigated.

1. Attorneys working for landowners often discourage owners to negotiate with the Department or accept settlements. They often state that more can be recovered if the matter is not settled. The examples below illustrate the need to amend the current provisions of s.32.28, Wis. Stats., because: (1) the Department often pays a substantially greater amount than the original amount offered to the landowner, but those funds do not go primarily to the landowner; (2) despite the lack of settlement, the landowner receives a minimal amount of additional compensation than was offered in the original award; and (3) the attorney fees paid by the Department are significantly higher than the amount paid to the landowner.

a. Example 1

- i. Amount of original award by the Department: \$50,400.
- ii. Additional award by the Department: \$10,782.
- iii. Final result as a result of no settlement:
  1. To owner: \$11,958.
  2. Amount of difference between original amount offered by the Department and amount ultimately paid to owner as a result of no settlement: \$1,176, an 11% increase.
  3. Attorney fees paid by The Department: \$106,600.
  4. Total additional amount paid by The Department due to lack of settlement: \$118,558.
  5. Percentage of final award paid to attorney: 90%.

- b. Example 2
    - i. Amount of original award by the Department: \$35,400.
    - ii. Additional award by the Department: \$14,600.
    - iii. Final result as a result of no settlement:
      - 1. To owner: \$16,906.
      - 2. Amount of difference between original amount offered by The Department and amount ultimately paid to owner: \$2,306, a 15.7% increase.
      - 3. Attorney fees paid by The Department: \$23,816.
      - 4. Total additional amount paid by The Department due to lack of settlement: \$40,722.
      - 5. Percentage of final award paid to attorney: 58%.
  
  - c. Example 3
    - i. Amount of original award by the Department: \$407,890.
    - ii. Additional award by The Department: \$77,110.
    - iii. Final result:
      - 1. To owner: \$85,338.
      - 2. Amount of difference between original amount offered by The Department and amount ultimately paid to owner: \$8,228, a 10% increase.
      - 3. Attorney fees paid by the Department: \$129,863.
      - 4. Total additional amount paid by the Department due to lack of settlement: \$215,201.
      - 5. Percentage of final award paid to attorney: 60%.
  
  - d. Example from a current matter in litigation: the Department originally offered the landowner \$200,000. The Department submitted a revised offer of \$276,000, an increase of 38% that would have been paid directly to the owner. The owner's attorney argues that the revised offer is invalid and the \$200,000 offer must stand. This position may be driven by the potential recovery of attorney fees upon taking the matter to trial. The direct result is a \$76,000 loss to the owner.
2. Below are example amounts paid under current statutes and amounts paid under proposed amended statutes. These examples illustrate the equitable results if the amendments requested are incorporated in to statutes.
- a. \$5,000 basic award amount:
    - i. Under the current statutory calculation of \$700 and 15%, a jury would have to award an additional \$750 (which meets both the \$700 and 15% test) to trigger entitlement to attorney fees.
    - ii. Under the proposed calculation of \$5000 and 20%, a jury would have to award an additional \$5000 (which meets both the \$5000 and 20% test) to trigger entitlement to attorney fees.
  
  - b. \$50,000 award amount:
    - i. Under the current statutory calculation of \$700 and 15%, a jury would have to award an additional \$7500 (which meets both the \$700 and 15% test) to trigger entitlement to attorney fees.
    - ii. Under the proposed calculation of \$5000 and 20%, a jury would have to award an additional \$10,000 (which meets both the \$5000 and 20% test) to trigger entitlement to attorney fees.

- c. \$800,000 award amount:
  - i. Under the current statutory calculation of \$700 and 15%, a jury would have to award an additional \$120,000 (which meets both the \$700 and 15% test) to trigger entitlement to attorney fees.
  - ii. Under the proposed calculation of \$3000 and 20%, a jury would have to award an additional \$160,000 (which meets both the \$5000 and 20% test) to trigger entitlement to attorney fees.

**DIN 5303: BEST VALUE (CMGC) PILOT**

|                   |                          |                |                    |                     |             |
|-------------------|--------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 09              | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 5303 |             |
| EXPENDITURE ITEMS |                          |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 06                | SUPPLIES & SERVICES      |                | 225,000.00         | 75,000.00           | 300,000.00  |
| 16                | DELIVERY CHARGES/CREDITS |                | 225,000.00-        | 75,000.00-          | 300,000.00- |
| 17                | TOTAL COST               |                | .00                | .00                 | .00         |

**SUMMARY:** The Department requests \$225,000 SEG in FY 16 and \$75,000 SEG in FY 17 in Appropriation 363, s.20.395(3)(cq), Wis Stats., and authority during the 2015-17 and 2017-19 biennia to enter into up to three pilot projects that utilize the Construction Manager/General Contractor (CMGC) alternative project delivery and construction model. To engage in the CMGC model, the Department requests a change to ss. 84.06 (2) (a) and (b), Wis. Stats., which currently require a low bid process for selection of construction contractors, with limited, narrowly defined exceptions.

To evaluate the use of the CMGC model for a variety of project types in Wisconsin’s construction environment, the Department is seeking statutory changes that will allow it to engage in up to three pilot projects. The pilot project process will be planned by a joint department-industry team which will recommend the number and type of projects, as well as individual project size and cost. Level of project complexity and the ability to demonstrate benefits will be key factors in project selection since CMGC is particularly well suited to complex projects where innovation is important. Projects will be selected during the 2015-17 biennium, although the Department requests the authority to continue pilots through the 2017-19 biennium to ensure that the best projects for this purpose can be identified. Following construction, an in-depth joint department-industry evaluation will assess project quality, cost savings, industry feedback, and process flow and timeline.

**DISCUSSION:** Current state statutes require the Department to engage in a low bid process for selection of highway improvement construction contractors. Wisconsin is considered a Design-Bid-Build (DBB) state and the Department typically contracts with separate entities for the design and construction aspects of a project (assuming in-house design is not used). Other state departments of transportation report that the CMGC model can result in significant time and cost savings when compared to the DBB contracting method.

CMGC is a delivery process in which the owner, in this case, the Department, enters into two contracts, one with a designer and one with a contractor. The contractor acts as the owner’s agent and works with the designer throughout the design process. At a certain point in design, the contractor provides the owner a “bid” on the project, often in the form of a guaranteed maximum price (GMP). If the owner is satisfied with the contractor’s bid, a contract is executed for the construction work. If the bid is unacceptable, the owner may convert to a DBB process.

While DBB is a good process for the majority of projects, CMGC allows the Department to take advantage of a contractor’s insight and innovation – this serves the State’s interests particularly on complex projects or projects with difficult staging. CMGC allows the Department to work individually with a contractor who may have tools or techniques that are not available to other contractors.

**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Highway Improvement Program – Project Development

**DIN:** 5303

**ISSUE TITLE:** Best Value Construction - Piloting Construction Manager/General Contractor Model

**REQUEST:**

The Department requests \$225,000 SEG in FY 16 and \$75,000 SEG in FY 17 in Appropriation 363, s.20.395(3)(cq), Wis Stats., and authority during the 2015-17 and 2017-19 biennia to enter into up to three pilot projects that utilize the Construction Manager/General Contractor (CMGC) alternative project delivery and construction model. To engage in the CMGC model, the Department requests a change to Wis. Stats., Chapter 84.06 (2) (a) and (b) which currently require a low bid process for selection of construction contractors, with limited, narrowly defined exceptions.

**SUMMARY:**

Current state statutes require the Department to engage in a low bid process for selection of highway improvement construction contractors. Wisconsin is considered a Design-Bid-Build (DBB) state and the Department typically contracts with separate entities for the design and construction aspects of a project (assuming in-house design is not used). Other state departments of transportation report that the CMGC model can result in significant time and cost savings when compared to the DBB contracting method.

To evaluate the use of the CMGC model for a variety of project types in Wisconsin's construction environment, the Department is seeking statutory changes that will allow it to engage in up to three pilot projects. The pilot project process will be planned by a joint department-industry team which will recommend the number and type of projects, as well as individual project size and cost. Level of project complexity and the ability to demonstrate benefits will be key factors in project selection since CMGC is particularly well suited to complex projects where innovation is important. Projects will be selected during the 2015-17 biennium, although the Department requests the authority to continue pilots through the 2017-19 biennium to ensure that the best projects for this purpose can be identified. Following construction, an in-depth department-industry joint evaluation will assess project quality, cost savings, industry feedback, and process flow and timeline. The pilot projects will be selected from the pool of highway improvement projects already identified for advancement.

Requested funding would be used to hire a consultant with expertise in highway improvement project contracting who would work with the department-industry team to facilitate the development of the pilot project proposal. Approximately 1,500 hours of consultant assistance will be needed in FY 16 while the project selection process is being developed and that 500 hours will be needed in FY 17 to continue to support the project.

**JUSTIFICATION:** Over the past two decades, public infrastructure owners have looked to the construction industry for delivery methods to help them meet increasing demands for better quality, decreased costs and compressed project delivery schedules. One delivery method that states' transportation departments have begun to use is CMGC. States that have utilized the CMGC project delivery method include: Minnesota, Michigan, Utah, Arizona, Colorado California, Oregon, Alaska, Idaho, Connecticut, Washington, Nevada, Rhode Island, Maryland, Florida and Maine.

CMGC is a delivery process in which the owner, in the case the Department, enters into two contracts, one with a designer and one with a contractor. The contractor acts as the owner’s agent and works with the designer throughout the design process. At a certain point in design, the contractor provides the owner a “bid” on the project, often in the form of a guaranteed maximum price (GMP). If the owner is satisfied with the contractor’s bid, a contract is executed for the construction work. If the bid is unacceptable, the owner may convert to a DBB process.

The CMGC process contrasts with DBB, where the contractor never acts as an agent of the owner. During a DBB design process, the designer is the only entity working under the direction, and in the interest, of the owner. With DBB, because of the differing contractual relationship between the owner and the contractor, the contractor is always working at his or her own risk and, therefore, can never be considered an agent of the owner.

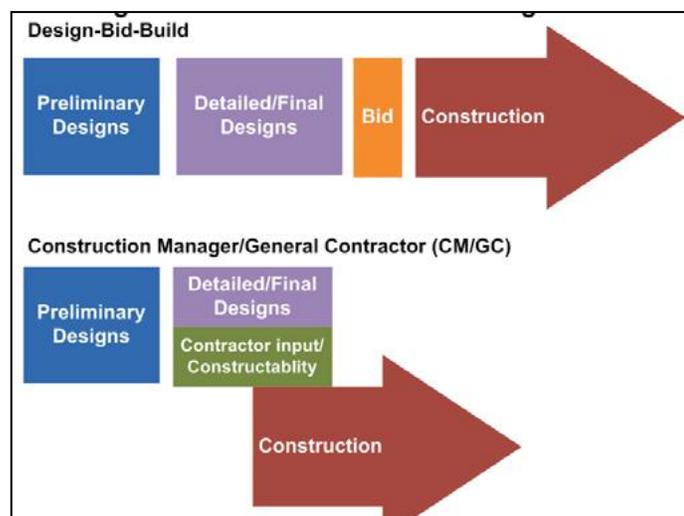
Under DBB, the Department must design a project that is “biddable” by all contractors because, when the design process ends, project construction is always awarded through a bid letting process. With CMGC the designer can incorporate innovations that improve the project but may not be biddable by all contractors.

While DBB is a good process for the majority of projects, CMGC allows the Department to take advantage of a contractor’s insight and innovation – this serves the State’s interests particularly on complex projects or projects with difficult staging. CMGC allows the Department to work individually with a contractor who may have tools or techniques that are not available to other contractors.

Other advantages of the CMGC model include:

- The Department is involved in decision-making throughout the design process;
- The process provides an environment for innovation as the contractor is more involved in design and can freely suggest new methods, equipment or different construction staging;
- The contractor has more design satisfaction because of direct involvement in design, resulting in fewer change orders;
- The Department and the contractor can discuss and retire, minimize or mitigate risk, saving money.
- Could help the Department better respond to unexpected influxes of federal or state funds when the duration of funding availability is short.

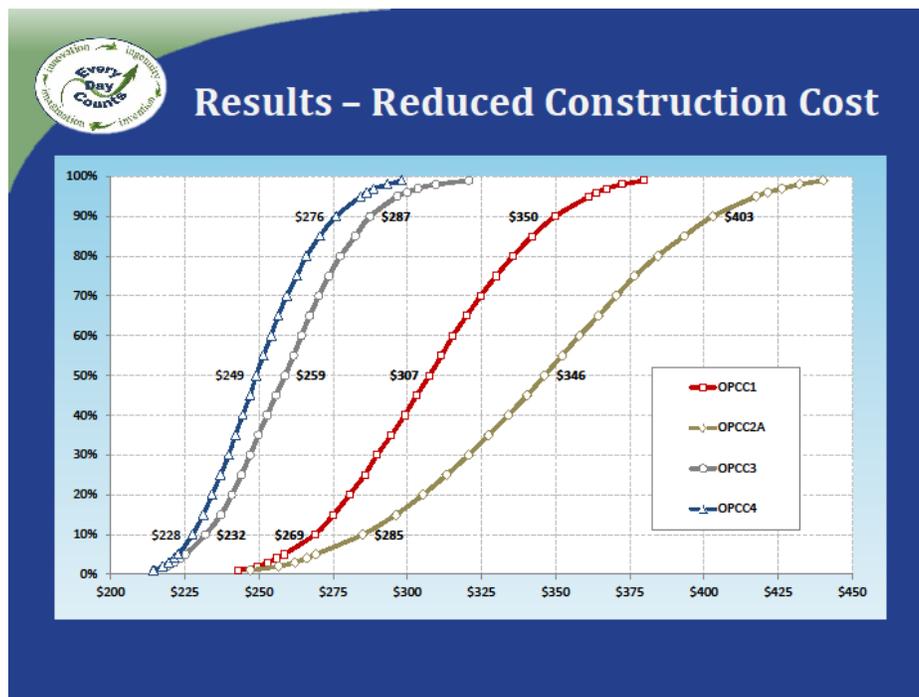
Time: One way to accelerate project delivery is to shorten the overall timeline from beginning design to completing construction. The traditional DBB model takes the longest time for project delivery because each step is undertaken in sequence and with no overlap. In CMGC, pre-construction and some construction efforts can commence before all of the design phase is completed.



Cost: Utilizing CMGC, delivery times are shortened and projects are often less expensive than they would be using DBB. The contractor's involvement from an early stage facilitates the identification and resolution of risk factors. As risk factors are eliminated or mitigated, costs are reduced. It should be noted that some states with experience using CMGC have indicated design costs may be higher because the contractor is developing multiple alternatives, although this is offset by reduced delivery time and decreased construction costs.

The following chart from the Federal Highway Administration shows how this played out in a sample project.

- The red line is the initial scope estimate.
- The gray line shows how, as the project proceeded to the environmental document stage, several risks were identified, pushing estimated costs higher.
- Then the contractor came on board and provided input as to how to mitigate those risks, reducing the costs, shown at 60% completion by the green line.
- By incorporating those mitigating strategies into the project construction, the final costs, shown by the blue line, are significantly lower than the initial cost at scoping.



Preparatory Process: The Department's request for authority to select and initiate up to three CMGC pilot projects during the 2015-17 and 2017-19 biennia will provide the opportunity for industry and the Department to gain information and evaluate the potential for this delivery model. To have the greatest chance for success, in FY 15 the Department and industry are laying the groundwork so that if this request is approved, the execution of the pilots can be optimally planned and efficiently executed. Department and industry representatives are meeting to explore the project selection process, and will hire an experienced consultant to ensure that the process and guidelines are well thought-out and manageable. This collaborative department-industry process will improve communication and enhance knowledge about best value contracting which also may be of use in future exploration of a variety of public private partnerships as well as CMGC.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5303

**TOPIC:** Best Value Construction – Piloting Construction Manager/General Contractor Methodology

**DESCRIPTION OF CHANGE:** The Department requests authority during the 2015-17 and 2017-19 biennia to enter into up to three pilot projects that utilize the Construction Manager/General Contractor (CMGC) alternative project delivery and construction model. To engage in the CMGC model, the Department requests a change to ss. 84.06 (2) (a) and (b), Wis. Stats., which currently require a low bid process for selection of construction contractors, with limited, narrowly defined exceptions.

**JUSTIFICATION:**

Current state statutes require the Department to engage in a low bid process for selection of highway improvement construction contractors. Wisconsin is considered a Design-Bid-Build (DBB) state and the Department typically contracts with separate entities for the design and construction aspects of a project (assuming in-house design is not used). Other state departments of transportation report that the CMGC model can result in significant time and cost savings when compared to the DBB contracting method.

To evaluate the use of the CMGC model for a variety of project types in Wisconsin's construction environment, the Department is seeking statutory changes that will allow it to engage in up to three pilot projects. The pilot project process will be planned by a joint Department-industry team which will recommend the number and type of projects, as well as individual project size and cost. Level of project complexity and the ability to demonstrate benefits will be key factors in project selection since CMGC is particularly well suited to complex projects where innovation is important. It is anticipated the projects will be selected during the 2015-17 biennium, although the Department requests the authority to continue pilots through the 2017-19 biennium to ensure that the best projects for this purpose can be identified. Following construction, an in-depth evaluation will assess project quality, cost savings, industry feedback, and process flow and timeline. Pilot projects will be selected from the pool of highway improvement projects already identified for advancement.

Background. CMGC is a delivery process in which the owner enters into two contracts, one with a designer and one with a contractor. The contractor acts as the owner's agent and works with the designer throughout the design process. At a certain point in design, the contractor provides the owner a "bid" on the project, often in the form of a guaranteed maximum price (GMP). If the owner is satisfied with the contractor's bid, a contract is executed for the construction work. If the bid is unacceptable, the owner may convert to a DBB process.

The CMGC process contrasts with DBB, where the contractor never acts as an agent of the owner. During a DBB design process, the designer is the only entity working under the direction, and in the interest, of the owner. Under DBB, the Department must design a project that is "biddable" by all contractors because, when the design process ends, project construction is always awarded through a bid letting process. With DBB, because of the differing contractual relationship between the owner and the contractor, the contractor is always working at his or her own risk and, therefore, can never be considered an agent of the owner.

While DBB is a good process for the majority of projects, CMGC will allow the Department to take advantage of a contractor's insight and innovation – this serves the State's interests particularly on complex projects or projects with difficult staging. CMGC allows the Department to work individually with a contractor who may have tools or techniques that are not available to other contractors.

Other advantages of the CMGC model include:

- The Department is involved in decision-making throughout the design process;
- The process provides an environment for innovation as the contractor is more involved in design and can freely suggest new methods, equipment or different construction staging;
- The contractor has more design satisfaction because of direct involvement in design, resulting in fewer change orders;
- The Department and the contractor can discuss and retire, minimize or mitigate risk, saving money.
- The Department may be able to better respond to unexpected influxes of federal or state funds when the duration of funding availability is short.

Preparatory Process: The Department's request for authority to select and initiate three CMGC pilot projects during the 2015-17 and 2017-19 biennia will provide the opportunity for industry and the Department to gain information and evaluate the potential for this delivery model. To have the greatest chance for success, in FY 15 the Department and industry are laying the groundwork so that if this request is approved, the execution of the pilots can be optimally planned and efficiently executed. Department and industry representatives are meeting to explore the project selection process, and will hire an experienced consultant to ensure that the process and guidelines are well thought-out and manageable. This collaborative Department-industry process will improve communication and enhance knowledge about best value contracting which also may be of use in future exploration of a variety of public private partnerships as well as CMGC.

**DIN 5304: HIGH-COST STATE BRIDGE RECONSTRUCTION**

|                 |                             |             |                |                    |                     |                |
|-----------------|-----------------------------|-------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 |                             | PROGRAM: 09 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 5304 |                |
|                 | EXPENDITURE ITEMS           |             | 1ST YEAR COST  | 2ND YEAR COST      |                     | TOTAL          |
| 06              | SUPPLIES & SERVICES         |             | 474,000.00     | 30,000.00          |                     | 504,000.00     |
| 13              | MC IMPR/R-E/MAINT/ENG SERV  |             | 15,326,000.00  | 970,000.00         |                     | 16,296,000.00  |
| 15              | MAJOR COSTS CHARGES/CREDITS |             | 15,326,000.00- | 970,000.00-        |                     | 16,296,000.00- |
| 16              | DELIVERY CHARGES/CREDITS    |             | 474,000.00-    | 30,000.00-         |                     | 504,000.00-    |
| 17              | TOTAL COST                  |             | .00            | .00                |                     | .00            |

**SUMMARY:** The Department requests an increase of \$15,800,000 SEG in FY16 and \$1,000,000 SEG in FY17 to the High Cost State Highway Bridge Projects Appropriation 357, s. 20.395(3)(dr) to complete the painting of the southern portion of the Hoan Bridge.

**DISCUSSION:** The Department began work on the Interstate 794—Hoan Bridge and Lake Freeway—in FY14. Work currently underway includes: overlay of the Lake Interchange, complete reconstruction from the Marquette Interchange to the Lake Interchange, deck replacement of the Hoan Bridge, and repainting the northern portion of the Hoan Bridge. Construction is on-schedule and should be completed during FY 16. The Departments 2013-15 biennial budget request for the Hoan Bridge anticipated that an additional request would be needed in the 2015-17 biennium.

The Hoan Bridge reconstruction and painting of the northern portion of the bridge have already been awarded. The only items remaining are painting the southern portion of the bridge and change orders for the construction contract. The current let includes a portion of painting so the contractor can take advantage of the construction zone that is already closed to traffic. The southern mile of the two mile bridge will not be painted per the current contract. A separate contract for painting the southern half of the bridge will allow the contractor to position equipment on the ground below the bridge, limiting traffic impacts on the bridge. The primary value of painting is to preserve the steel superstructure of the bridge. The three coat paint system protects the steel against corrosion caused by deicing chemicals and exposure to the elements over time. Choosing to not paint the bridge, the steel girders, floor beams, stringers, bearings, and other structural elements would be subject to increased corrosion that could require extensive repair or reduce the service life of the bridge.

**JUSTIFICATION:** The Department's 2013-15 biennial budget request specified that painting the bridge was not included and that the 2015-17 biennial budget would request funding to paint the bridge. To adequately protect the steel members from erosion over time and ensure the bridge meets its anticipated service life, the bridge needs to be painted.

**DIN 5305: MAJOR INTERSTATE BRIDGE CONSTRUCTION**

|                 |                             |                |                    |                     |                |
|-----------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395 | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 5305 |                |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 06              | SUPPLIES & SERVICES         |                | 510,000.00         | 90,000.00           | 600,000.00     |
| 13              | MC IMPR/R-E/MAINT/ENG SERV  |                | 16,490,000.00      | 2,910,000.00        | 19,400,000.00  |
| 15              | MAJOR COSTS CHARGES/CREDITS |                | 16,490,000.00-     | 2,910,000.00-       | 19,400,000.00- |
| 16              | DELIVERY CHARGES/CREDITS    |                | 510,000.00-        | 90,000.00-          | 600,000.00-    |
| 17              | TOTAL COST                  |                | .00                | .00                 | .00            |

**SUMMARY:** The Department requests \$17,000,000 SEG in FY 16 and \$3,000,000 SEG in FY 17 in Appropriation 367, s.20.395(3)(dq), Wis. Stats. to complete construction on the St. Croix Bridge Crossing.

**DISCUSSION:** The Department is working in conjunction with the Minnesota Department of Transportation to construct a new bridge to link Houlton, Wisconsin and Stillwater, Minnesota. The project site includes the St. Croix Scenic Riverway, which is one of the nation’s most panoramic natural habitats. The St. Croix Crossing project is a \$646 million transportation project to replace the 80 year-old fracture critical Stillwater Lift Bridge with a four-lane bridge that will connect expressways on both sides of the St. Croix River. The new mainline bridge is approximately 5,000 feet in length and spans the river channel and approach spans. The proposed design of the mainline bridge is a hybrid called an extradosed bridge. This type of design can best be described as a cross between a concrete box girder and a cable stay.

The current lift bridge design creates frequent traffic delays when the bridge is used to allow recreational boats to proceed under the bridge on the St. Croix River. The new bridge, which began construction in FY12, will not be a lift bridge. The new bridge will be high enough to no longer need the lift bridge functionality, which will prevent the traffic congestion issues that occurred when the lift bridge was operating.

The St. Croix Crossing project conducted a number of large project lettings with nearly all of the significant aspects of the project now under construction. The entire project is scheduled to be completed in late CY 17 with the primary river bridge complete in late CY 16.

The \$17,000,000 request in FY16 will fund the final paving of the Wisconsin approach, monitor both archeological and environmental issues associated with the loop trail (old bridge and associated bicycle and pedestrian trail in Wisconsin and Minnesota), and provide program controls. The \$3,000,000 request for FY 17 will fund construction of the loop trail and finalize construction engineering and inspections on all structures.

**JUSTIFICATION:** By contract the Department is responsible for the half of the cost of the structure and all approach work within Wisconsin’s borders. Approximately half of the budget request is to pave the approach to the bridge. Before allowing traffic on the bridge, final safety inspections must be completed and Wisconsin’s roadways approaches to the bridge must be finished.

## DIN 5306: TRAFFIC SYSTEM MANAGEMENT AND OPERATIONS FUNDING

|                   |                             |                |                    |                     |                |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 5306 |                |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 06                | SUPPLIES & SERVICES         |                | 800,000.00         | 800,000.00          | 1,600,000.00   |
| 13                | MC IMPR/R-E/MAINT/ENG SERV  |                | 30,447,300.00      | 25,147,300.00       | 55,594,600.00  |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 30,447,300.00-     | 25,147,300.00-      | 55,594,600.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 800,000.00-        | 800,000.00-         | 1,600,000.00-  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00            |

**SUMMARY:** The Department requests several changes to the Highway Systems Management and Operations program to provide increased resources for traffic operations activities, including:

- Modifying appropriations and transferring base funding to create separate Traffic System Management and Operations appropriations;
- Requesting increased funding of \$31,247,300 SEG and \$3,000,000 FED in FY 16 and \$25,947,300 SEG and \$3,000,000 FED in FY 17 for operation and support of the Statewide Traffic Operations Center (STOC), for highway lighting, Intelligent Transportation System (ITS) and signal device installation, maintenance and operations and for highway signing and pavement marking to enhance system safety.

**DISCUSSION:** The current Highway System Management and Operations program has three major program areas: highway maintenance, bridge inspection and maintenance, and traffic operations. State funded management and operations for these three program areas are all funded under s.20.395(3)(eq), Wis Stats., *Highway System Management and Operations, state funds*. The area of traffic operations has grown in scope and significance in recent years with computerized traffic control and monitoring systems and an increased safety focus, resulting in more lighting, signing and pavement marking needs as well as more attention to work zone mitigation and traffic incident response and management. Overall, funding has not kept pace and competing priorities have meant that traffic operations have not received support commensurate with growing needs.

The Department's request includes the following changes to the appropriation structure and funding levels for the traffic system operations components of the current Highway System Management and Operations program.

- Modify Appropriation 352, s.20.395(3)(et), Wis. Stats., *Intelligent transportation systems and traffic control signals, state funds* to fund all traffic system management, operating and capital costs. Rename the appropriation *Traffic system management and operations, state funds*. Remove the existing June 30, 2019 sunset on this appropriation. Make the same modifications for Appropriation 354 and 356, s.20.395 (3)(eu) and (ez), Wis. Stats., the local and federal counterparts to Appropriation 352.

- Separate existing funding for traffic operations activities from funding for highway and bridge operations and maintenance.
  - Total FY 15 adjusted base funding for the existing s.20.395(3)(eq), Wis. Stats., *Highway system management and operations, state funds*, Wis. Stats., is \$83,306,500. Transfer \$31,319,100 to s.20.395(3)(et), Wis. Stats., *Traffic system management and operations, state funds*, as renamed<sup>3</sup>.
  - Total FY 15 adjusted base FED funding for s.20.395(3)(ex), Wis. Stats., *Highway system management and operations, federal funds* is \$1,102,500. Funding is fully utilized for traffic operations activities so this request would transfer all base funding to s.20.395(3)(ez), Wis Stats., *Traffic system management and operations, federal funds*, as renamed.
  - Total FY 15 LOCAL base funding for s.20,395(3)(ev), Wis. Stats., *Highway system management and operations, local funds* is \$1,900,000. Most of this base funding is utilized for maintenance of border bridges and will stay with the highway and bridge maintenance and operations program. A portion is utilized for the Specific Sign Program (SIS) and the Tourist-Oriented Directional Sign (TODS) program so this request would transfer \$425,000 of this base funding to s.20.395(3)(eu), Wis. Stats., *Traffic system management and operations, local funds*, as renamed.
- Provide \$6,500,000 SEG in FY 16 and \$500,000 SEG in FY 17 to replace the STOC's Advanced Traffic Management System (ATMS) software. The ATMS is the primary STOC computer system; the existing system is outdated and at risk of failure.
- Provide \$1,350,000 SEG in FY 16 and FY 17 for traffic data acquisition, development, analysis and maintenance, including \$800,000 for purchase and analysis of national traffic data, \$450,000 for no-passing zone data and \$100,000 for safety engineering data analyses.
- Provide \$2,500,000 SEG in FY 16 and 17 for light emitting diode (LED) highway system light replacements to save on energy and maintenance costs.
- Provide \$3,300,000 SEG in FY 16 and \$2,300,000 SEG in FY 17 for traffic control device maintenance, including: \$900,000 in each year for ITS, signal and lighting maintenance, \$1,400,000 in each year for utilities costs and \$1,000,000 one-time funding in FY 16 for an Asset Management System.
- Provide \$6,000,000 SEG in FY 16 and \$7,700,000 SEG in FY 17 for pavement marking needs.
- Provide \$3,297,300 SEG in FY 16 and FY 17 to meet signing needs.
- Provide \$7,500,000 SEG and \$3,000,000 FED in FY 16 and FY 17 for the replacement, rehabilitation and installation of ITS devices and traffic signals.
- Provide \$800,000 SEG in FY 16 and FY 17 for increased costs associated with state staff oversight and review related to deployment of ITS and signals infrastructure.

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<sup>3</sup> State funded positions in both the Highway and Bridge Operations and Maintenance program and the Traffic Operations program are authorized under Appropriation 961, *Highways, bridges and local transportation assistance clearing account*, Wis. States., through which 365, 352 and several other appropriations clear. Therefore no change is needed to position funding.

**Traffic System Management and Operations Request Summary**

| <b>Program Area</b>   | <b>FY 16 SEG</b>    | <b>FY 16 FED</b>   | <b>FY 17 SEG</b>    | <b>FY 17 FED</b>   |
|---|---------------------|--------------------|---------------------|--------------------|
| STOC ATMS software  | 6,500,000           |                    | 500,000             |                    |
| Traffic data acquisition and analysis   | 1,350,000           |                    | 1,350,000           |                    |
| LED traffic light replacement   | 2,500,000           |                    | 2,500,000           |                    |
| Traffic control device maintenance  | 3,300,000           |                    | 2,300,000           |                    |
| Pavement Marking  | 6,000,000           |                    | 7,700,000           |                    |
| Signs   | 3,297,300           |                    | 3,297,300           |                    |
| ITS and Signals capital costs   | 7,500,000           | 3,000,000          | 7,500,000           | 3,000,000          |
| Traffic System Management and<br>Operations oversight of ITS and signals<br>deployments | \$800,000           |                    | \$800,000           |                    |
| <b>TOTAL (all funds)</b>  | <b>\$31,247,300</b> | <b>\$3,000,000</b> | <b>\$25,947,300</b> | <b>\$3,000,000</b> |

**Department of Transportation**  
**2015-2017 Biennial Budget Request**  
**ISSUE PAPER**

**PROGRAM:** Highway System Management and Operations

**DIN:** 5306

**ISSUE TITLE:** Traffic System Management and Operations Funding and Appropriation Restructuring

**REQUEST:**

The Department requests several modifications to the Highway Systems Management and Operations program to provide increased resources for traffic operations activities, including:

- Modifying appropriations and transferring base funding to create separate Traffic System Management and Operations appropriations;
- Requesting funding of \$31,247,300 SEG and \$3,000,000 FED in FY 16 and \$25,947,300 SEG and \$3,000,000 FED in FY 17 for operation and support of the Statewide Traffic Operations Center (STOC), for highway lighting, Intelligent Transportation System (ITS) and signal device installation, maintenance and operations, and for highway signing and pavement marking to enhance system safety.

**SUMMARY:**

The Traffic Operations program includes a wide range of activities to support operations, maintenance, functionality, and safety of the state's highway system:

- Traffic system planning, design, deployment and management related to highway improvement projects.
  - Operational analysis to ensure consistent implementation of traffic modeling, traffic impact analyses and intersection control evaluation for highway improvement projects.
  - Traffic safety engineering to create safer highway designs and improve safety in work zones.
  - Work zone management to ensure consistent implementation of the federal safety rules in construction zones and to implement strategies to minimize traffic delays.
  - Planning and design of ITS infrastructure and signal systems.
- Deployment, maintenance, repair, and enhancement of traffic systems and safety devices.
  - Repair, replacement and maintenance of traffic control equipment, including ITS, signals and lighting.
  - Deployment and maintenance of signs that provide traffic, safety and travel information.
  - Pavement marking and striping.
- Operation of the STOC and its information technology systems, which provide real-time traffic data to law enforcement, first responders and the public.
- Collection, analysis and provision of travel and highway system information for use by government, business and the public.
- Coordination of the state's Emergency Transportation Operations and Traffic Incident Management programs which ensure coordinated operation of the transportation system during emergencies and traffic incidents.

The Department's request includes the following changes to the appropriation structure and funding levels for the traffic system operations components of the current Highway System Management and Operations program.

- Modify s.20.395(3)(et), Wis. Stats., *Intelligent transportation systems and traffic control signals, state funds* to fund all traffic system management, operating and capital costs. Rename the appropriation *Traffic system management and operations, state funds*. Remove the existing June 30, 2019 sunset on this appropriation. Make the same modifications for s.20.395(3)(eu) and s.20.395(3)(ez), Wis. Stats., the local and federal counterparts to s.20.395(3)(et), Wis. Stats.
- Separate existing funding for traffic operations activities from funding for highway and bridge operations and maintenance.
  - Total FY 15 adjusted base funding for the existing s.20.395(3)(eq), Wis. Stats., *Highway system management and operations, state funds*, Wis. Stats., is \$83,306,500. Transfer \$31,319,100 to s.20.395(3)(et), Wis. Stats., *Traffic system management and operations, state funds*, as renamed<sup>4</sup>.
  - Total FY 15 adjusted base FED funding for s.20.395(3)(ex), Wis. Stats., *Highway system management and operations, federal funds* is \$1,102,500. Funding is fully utilized for traffic operations activities so this request would transfer all base funding to s.20.395(3)(ez), Wis. Stats., *Traffic system management and operations, federal funds*, as renamed.
  - Total FY 15 LOCAL base funding for s.20.395(3)(ev), Wis. Stats., *Highway system management and operations, local funds* is \$1,900,000. Most of this base funding is utilized for maintenance of border bridges and will stay with the highway and bridge maintenance and operations program. A portion is utilized for the Specific Sign Program (SIS) and the Tourist-Oriented Directional Sign (TODS) program so this request would transfer \$425,000 of this base funding to s.20.395(3)(eu), Wis. Stats., *Traffic system management and operations, local funds*, as renamed.
- Provide \$6,500,000 SEG in FY 16 and \$500,000 SEG in FY 17 to replace the STOC's Advanced Traffic Management System (ATMS) software. The ATMS is the primary STOC computer system; the existing system is outdated and at risk of failure.
- Provide \$1,350,000 SEG in FY 16 and FY 17 for traffic data acquisition, development, analysis and maintenance, including \$800,000 for purchase and analysis of national traffic data, \$450,000 for no-passing zone data and \$100,000 for safety engineering data analyses.
- Provide \$2,500,000 SEG in FY 16 and 17 for light emitting diode (LED) highway system light replacements to save on energy and maintenance costs.
- Provide \$3,300,000 SEG in FY 16 and \$2,300,000 SEG in FY 17 for traffic control device maintenance, including: \$900,000 in each year for ITS, signal and lighting maintenance, \$1,400,000 in each year for utilities costs and \$1,000,000 one-time funding in FY 16 for an Asset Management System.
- Provide \$6,000,000 SEG in FY 16 and \$7,700,000 SEG in FY 17 for pavement marking needs.
- Provide \$3,297,300 SEG in FY 16 and FY 17 to meet signing needs.
- Provide \$7,500,000 SEG and \$3,000,000 FED in FY 16 and FY 17 for the replacement, rehabilitation and installation of ITS devices and traffic signals.
- Provide \$800,000 SEG in FY 16 and FY 17 for increased costs associated with state staff oversight and review related to deployment of ITS and signals infrastructure.

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<sup>4</sup> State funded positions in both the Highway and Bridge Operations and Maintenance program and the Traffic Operations program are authorized under Appropriation 961, *Highways, bridges and local transportation assistance clearing account*, Wis. States., through which 365, 352 and several other appropriations clear. Therefore no change is needed to position funding.

**Table 1  
Traffic System Management and Operations Request Summary**

| <b>Program Area</b>   | <b>FY 16 SEG</b>    | <b>FY 16 FED</b>   | <b>FY 17 SEG</b>    | <b>FY 17 FED</b>   |
|---|---------------------|--------------------|---------------------|--------------------|
| STOC ATMS software  | 6,500,000           |                    | 500,000             |                    |
| Traffic data acquisition and analysis   | 1,350,000           |                    | 1,350,000           |                    |
| LED traffic light replacement   | 2,500,000           |                    | 2,500,000           |                    |
| Traffic control device maintenance  | 3,300,000           |                    | 2,300,000           |                    |
| Pavement Marking  | 6,000,000           |                    | 7,700,000           |                    |
| Signs   | 3,297,300           |                    | 3,297,300           |                    |
| ITS and Signals capital costs   | 7,500,000           | 3,000,000          | 7,500,000           | 3,000,000          |
| Traffic System Management and Operations oversight of ITS and signals deployments | \$800,000           |                    | \$800,000           |                    |
| <b>TOTAL (all funds)</b>  | <b>\$31,247,300</b> | <b>\$3,000,000</b> | <b>\$25,947,300</b> | <b>\$3,000,000</b> |

**JUSTIFICATION:**

The current Highway System Management and Operations program has three major program areas: highway maintenance, bridge inspection and maintenance, and traffic operations. State funded management and operations for these three program areas are all funded under s.20.395(3)(eq), Wis Stats., *Highway System Management and Operations, state funds*. Traffic operation programs have grown in scope and significance in recent years with computerized traffic control and monitoring systems and an increased safety focus, resulting in more lighting, signing and pavement marking needs as well as more attention to work zone mitigation and traffic incident response and management. Overall, funding has not kept pace and competing priorities have meant that traffic operations have not received support commensurate with growing needs.

Background

Over the last 30 years, there have been significant changes in the nature and scope of traffic operations. In the 1980s, the first programmable traffic signal systems were installed in Wisconsin, utilizing in-ground loop detectors and traffic signal cabinets. In 1988, the Southeastern Wisconsin Regional Planning Commission (SEWRPC) released the Freeway Traffic Management System report for the metropolitan Milwaukee area, including recommendations for ITS expansion. In 1994, the Department began using loop detectors to calculate volume and speed on freeways, and reporting travel times. Detectors were also added along each freeway corridor and used in various different studies. ITS device installations were expanded at the same time with the deployment of Milwaukee's first dynamic message sign (DMS) and freeway camera units. In 1995 the Department created a traffic operations center in the Milwaukee area. ITS installations expanded starting in 1999 with ITS device installations in the Madison area. Around 2000, Milwaukee-area DMS began displaying travel times 24 hours a day.

In 2005, the Department drafted the State Traffic Operations Plan. The plan resulted in changes to staffing at the Southeast Region Traffic Operations Center, making it a 24/7 operation. The Traffic Operations Center joined the then Bureau of Highway Operations and began statewide coverage in 2006. In recognition of the increasing importance of traffic operations activities, in 2010 the Department reorganized and divided the former Bureau of Highway Operations into two bureaus, the Bureau of Highway Maintenance (BHM) and the Bureau of Traffic Operations (BTO). A number of events and changes on the national level contributed to the decision to reorganize, including:

- Establishment of the federal Highway Safety Improvement Program (HSIP), requiring an expansion of traffic safety engineering services;
- Greater emphasis on compliance with the National Incident Management System (NIMS), the Incident Command System (ICS) and the National Response Plan;
- Federal regulation requiring more work zone management programs and policies; and
- Emerging emphases on traffic operations strategies for freight mobility.

BTO's main office was located in Milwaukee at the STOC to recognize the high traffic volumes and network security vulnerabilities, a relatively high proportion of highway construction activity, multimodal freight operations, traffic operations relationships with Illinois and complex local agency entities, including SEWRPC.

#### Traffic Operations Funding Needs

When BTO was created no new FTE positions were authorized and no additional funding was requested. Existing staff and resources were divided between the two issue areas based on responsibilities. The funding appropriation, which also funds the Bureau of Structures, was not separated, and the three functions have continued to be funded from Appropriation 365, s. 20.395(3)(eq), Wis Stats., *Highway System Management and Operations, state funds*<sup>5</sup>.

Providing basic funding for traffic operations activities has required a mix of strategies. For several years starting in the late 1990's the Department received federal ITS earmarks that were used for infrastructure improvements, such as communications network costs and related hardware and software. From FY 06 through FY 10 the Department received an average of \$1.7 million annually in earmarked federal funding for these purposes. Those earmarks ended in 2010. The Department also periodically used its formula federal funds for certain traffic operations activities, like pavement marking, that are federally eligible costs. However, federal funding amounts are uncertain and may not remain at levels to continue these allocations.

Since 2010, Highway System Management and Operations funding has been insufficient to adequately support traffic operations and maintenance activities. Severe winter weather has required extensive winter maintenance activities and salt purchases and in three of the last four years the Department has had to request supplements from the Legislature through the s. 13.10 process. Even with the supplements, the Department has had to constrain non-winter activities, put off needed software and hardware upgrades, and postpone lifecycle replacements of traffic operations devices.

2013 Act 20, the 2013-15 biennial budget, took the first step to provide sufficient program funding by creating separate, increased funding for routine maintenance performed by county staff under contract to the Department and by creating appropriations s.20.395 (3)(et), (eu) and (ez), Wis. Stats., and providing \$10 million annually for ITS and signals capital costs. In this request, the Department is proposing that those appropriations be broadened to fund traffic operations activities and capital and is seeking increased funding for the state's traffic operations activities.

#### Request

The Department is requesting funding for traffic operations activities in three areas – asset optimization, system efficiency, and user safety. Traffic strategies such as ITS and signal systems help to optimally utilize the existing system and delay the need for costly expansions. Activities such as work zone management, traffic incident management and 511 information increase system efficiency. Optimal signing, lighting and pavement marking are key components of safety for the traveling public. As the system expands, investment in modernized technology will improve travel times, enhance safety and maximize the value received from highway rehabilitation and expansion dollars. Lack of investment in traffic operations programs has negative impacts on user delay, system reliability, and traffic data, on Wisconsin roads.

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<sup>5</sup> In 2013 Act 20, the 2013-15 biennial budget, routine maintenance activities which are done by county highway staff under contract to the Department, were separated into a new Appropriation 368, s. 20.395(3)(iq), Wis. Stats.

## 1. State Traffic Operations Center - Control Room Computer System

The STOC is staffed 24 hours a day, 7 days a week and provides traffic management services and traveler information and warning systems for Wisconsin's state highway system. Control room operators communicate regularly with sheriff, fire, police and the Division of State Patrol, as well as media outlets and construction project managers. From the STOC, it is possible to use various traffic management tools, such as: closed circuit television units, ramp meters, variable message signs (VMS), highway advisory radio (HAR), roadway sensors and other tools.

Computer Systems. The Department requests \$7,000,000 for replacement of its ATMS software (\$6,500,000 in FY 16 and \$500,000 in FY 17). This software is the "brains" of the STOC and is used to:

- o Monitor real-time traffic conditions;
- o Actively manage recurring congestion, traffic incidents and other events;
- o Manage road-side ITS and traffic control devices;
- o Share data between other traffic operation centers and information providers; and
- o Support data archiving and retrieval capabilities.

The current system is almost twenty years old and out of date. The system's ability to be adapted and enhanced to meet future control room requirements is limited. Its stability is at risk and it does not readily integrate new and upcoming technology or devices.

The Department is currently completing a needs assessment and exploring software alternatives and plans to purchase the system, estimated to cost \$7,000,000 during the 2015-17 biennium. After installation there will be ongoing maintenance and periodic upgrades, estimated at \$500,000 or more annually. Therefore, the Department is requesting one-time funds to purchase the system in FY 16, with \$500,000 in the second year as the estimate of ongoing needs for this system.

## 2. Traffic Data Collection and Analysis

The Department requests \$1,350,000 in FY 16 and FY 17 for data collection and analyses activities as shown in Table 2. In addition to traffic management activities, traffic information is used by traffic operations staff for highway system planning and design, and to build safer and more efficient roadways. This requires investment in computer systems and resources used to collect, store and interpret data.

**Table 2**  
**Traffic Data Collection and Analysis Request**

| <u>Projects</u>              | <u>FY16</u><br><u>Request</u> | <u>FY17</u><br><u>Request</u> |
|------------------------------|-------------------------------|-------------------------------|
| Technology & Data Collection | \$ 800,000                    | \$ 800,000                    |
| No-Passing Zone Locating     | \$ 450,000                    | \$ 450,000                    |
| Safety Engineering           | <u>\$ 100,000</u>             | <u>\$ 100,000</u>             |
| TOTAL                        | \$ 1,350,000                  | \$ 1,350,000                  |

- Traffic Data Acquisition and Use: The Department requests \$800,000 in each year to procure data, operate, maintain, and improve traffic operations technologies, and also to continue development of the Department's Traffic Operations Performance Management System. The Department uses probe data and performance-related technologies to monitor, rate, grade and improve highway system performance and ensure maximum benefits to the traveling public. This data – such as speed, volume, travel-time, and GPS coordinates of electrical systems – provides information to aid in highway design and helps to identify problem corridors where additional ITS deployments or traffic control signals are needed.

- GIS-based locating project. The Department requests \$400,000 in each year to gather GIS-based location and quality data for traffic operations infrastructure. This information would be used to populate the asset management system and enable staff to make more informed lifecycle-based replacement plans. In addition, it will position the Department for technology changes, such as vehicle-to-infrastructure communication, that will occur in the future.
- Probe data collection/analysis. The Department requests \$400,000 in each year to procure data to provide real-time travel data information for Wisconsin. That data will be integrated into the new Advanced Traffic Management System.

Previously many of these data-collection projects would have been funded by federal ITS Earmarks. However, the Department has received no funding for these purposes since FY 10. To continue to purchase and analyze data to evaluate highway system performance, additional funding is required.

- No-Passing Zone Locating: The Department requests \$450,000 in FY 16 and FY 17 to implement a five year no-passing zone update project. No-passing zones identify the point on two-lane highways where it is safe – based on engineering standards – for one vehicle to pass-by another. For safety reasons, in 2007 the sight standards for locating no passing zones were changed to a more conservative approach that no longer has a line of sight outside the shoulder point. This standards change will ultimately result in more no-passing zones, especially for horizontal curves. As a result of this standards change, there are many conventional highways in the state that have not been brought up to this new standard, and all new or reconstructed highways must comply.

No-passing zones are mapped and verified using a two-person crew. The information is then provided to traffic operations staff in the department's regions who work with counties to make changes to pavement marking and signing as appropriate. Initially, department employees did this work, in addition to other responsibilities. However, these positions were re-purposed to higher priority activities, and the no-passing zone locating now has been outsourced to a private consultant. The Department judges that the safety risk to the traveling public of continuing a limited effort is too great, and is contracting for a full-time effort to achieve completion within five years. Additional funding is required both to complete the effort in five years, and to add enhancements:

- In addition to providing the two-person crew and logging the no-passing zones, the consultant will create an electronic format and database for record storage. This will make verifying and updating no-passing zones more efficient in future years.
  - The data collection also will incorporate global positions system (GPS) coordinates to use in locating and mapping no passing zones.
  - The consultant will also do follow-up on no passing zones on completed highway improvement projects. Unlike some other aspects of construction projects, it is not possible for a field engineer to look at the no passing zone on a plan to validate it. It must be physically checked. The consultant will provide this quality assurance function.
- Safety Engineering: The Department requests \$100,000 in each year to fund key safety initiatives. The Department's goal of "Zero (deaths) in Wisconsin" is in conjunction with the national "Towards Zero Deaths" campaign and safety engineering is integral to achieving that goal. The Department helps achieve this goal by managing crash records and evaluating safety performance on the state's roadways. A key component of the program is the integration of safety initiatives into the highway safety improvement process. This funding would be used to study intersection safety for both signalized and expressway intersections. The project would develop statewide crash rates for use as a comparison in future safety analyses and to prepare data for future development of intersection safety performance functions.

### 3. LED Lighting Replacement.

The Department requests \$2,500,000 in FY 16 and FY 17 to begin replacement of high pressure sodium (HPS) light fixtures with cost-efficient LED fixtures along freeway segments that are not scheduled to be

upgraded through highway improvement projects. While energy usage varies by manufacturer and size of light, it is projected that switching to LED lights will save 30% in energy use, on average. A savings of up to 10% in annualized maintenance needs also are projected because these luminaries are expected to last 7-10 years instead of requiring annual or semi-annual bulb replacement as HPS light do.

Currently the Department has over 14,000 luminaries and 260 lighting controller cabinets with an asset value of \$72 million. About 90% of these lights employ the HPS lighting technology which is old and expensive to operate and maintain. It is also prone to outages, leaving sections of the freeway system unlit. With the requested funding the Department will be able to replace about half of the estimated 12,600 HPS lights on the state's freeway segments by the end of the 2015-17 biennium and complete the project by the end of the 2017-19 biennium.

#### 4. Traffic Control Device Maintenance and Operation

The Department requests \$3,300,000 in FY 16 and \$2,300,000 in FY 17 to fund maintenance and operational costs for the state highway system's traffic control devices. The Department maintains more than 16,000 devices; numbers by category are shown with their asset values in Table 3.

**Table 3**  
**Traffic Control Devices on State Highway System**

| <u>Infrastructure Type</u> | <u># of Deployments</u> | <u>Asset Value</u> |
|----------------------------|-------------------------|--------------------|
| Signals                    | 1,000                   | \$200 million      |
| ITS devices                | 970                     | \$43.5 million     |
| Lighting                   | >14,000                 | \$72 million       |

While many of these devices have been deployed as part of highway improvement projects, ongoing operations and maintenance costs must be funded from existing highway maintenance and systems operations funding which are insufficient. Increased salt and winter operations costs have often shifted funds away from other needs. Device maintenance suffers since, other than for emergencies, it is often delayed. However, malfunctioning signals, ramp gates, dynamic message signs and other devices have a negative impact on traffic flow and, potentially, on safety. As the numbers of devices grow with the large freeway reconstructions primarily in the Southeast and Southwest Regions, it is also important that these assets be cataloged and maintenance schedules tracked. The Department is requesting additional funding for adequate maintenance and to provide day-to-day operations for the expanding number of devices, as shown in Table 4.

**Table 4**  
**Traffic Control Device Maintenance Request**

| <u>Projects</u>            | <u>FY16 Request</u> | <u>FY17 Request</u> |
|----------------------------|---------------------|---------------------|
| Electrical Device Services | \$ 900,000          | \$ 900,000          |
| Asset Management System    | 1,000,000           | 0                   |
| Utilities                  | <u>1,400,000</u>    | <u>1,400,000</u>    |
| TOTAL                      | \$ 3,000,000        | \$ 2,000,000        |

- Electrical Device Services. The Department requests \$900,000 in each year for maintenance of traffic operations electrical devices. This includes all highway lighting, traffic signals and ITS devices under the Department's jurisdiction across the state. ITS devices include closed circuit televisions (CCTV), DMS, system detector stations (SDS), HAR, and ramp meters. In general about 40% of maintenance costs are for equipment, parts and supplies and about 60% for labor. The Department outsources maintenance activities for these devices.

The number of ITS devices and lights, in particular, has grown as the highway system has been reconstructed, but no dedicated funding has been allocated for the maintenance of these devices.

- ITS. The Department requests \$250,000 a year for increased maintenance costs. Since 2010 there have been increases in the number of ITS devices, particularly CCTV cameras (148) and Dynamic Message Signs (82). These deployments have mostly been in the Southeast Region for the Zoo Interchange project and Southwest Region in connection with the Beltline and I-39 corridor.
- Lighting. The Department requests \$350,000 per year for the increased maintenance costs associated with lighting. The growth in the number of roundabout intersections, the completion of the Mitchell Interchange tunnels, which have 2,100 fixtures, and the other system expansions have increased lighting numbers by at least 15% since 2010. The Department has no funding dedicated to lighting maintenance.
- Consultant contracts. The Department requests \$300,000 a year for consultant support that provides specialized technical expertise for traffic control device planning, evaluation and operation that is not specific to a highway improvement project. The Department's available funding for this activity is insufficient to carry out all needed projects. Current consultant activities include ramp meter retiming, fiber network recovery, fiber builds, lighting and signal management support, network connectivity support, lighting safety policy study, and future ITS technology evaluation. Some of the activities, such as ramp meter retiming, require specialized skills that are needed only intermittently.
- Asset Management System: The Department requests \$1,000,000 in to implement a new asset management system for traffic control devices. Optimizing the existing assets on the state's highway system requires ensuring maintenance and replacement schedules are known and met, reducing the chance of critical failures or unanticipated replacement expense. This in turn requires an inventory with accurate information on age, lifecycle, location, date of installation or replacement and detailed maintenance records. A new asset management system is needed to support this record keeping for traffic signal, lighting, pavement marking, signing and ITS deployments. This software will be used to maintain inventories, track expenses and maintenance records, and develop long term lifecycle replacement plans and budgetary needs. No funding is available for this purchase.
- Utilities. The Department requests \$1,400,000 million in each year to fund increased costs of utilities to operate traffic devices installed on the state highway network. There has been an increase in the past decade in the number of devices deployed, in addition to generally increasing utility costs. This has resulted in significantly higher electricity costs. In FY 10 traffic device utility costs were \$2.3 million. By FY 14 that had steadily increased to \$3.3 million, a rate of increase of almost 9% per year over those five years. Due to constrained funding, the base amount the Department has for this purpose is \$2.4 million. Since utility costs are not discretionary, spending in excess of budgeted funds has necessitated delaying other purchases or reducing services.

Assuming annual average increases at a rate similar to the past five years, by FY 16 costs could be expected to be at least \$3.9 million and by FY 17, \$4.2 million. If the Department's request to replace HSP lights with LED lights is approved, it is anticipated that savings in utility costs will be realized, moderating these expected increases over time. However since there are several large freeway projects currently underway in the Southeast and Southwest Regions, it is anticipated increases in numbers of ITS devices and lighting units will continue, and also that utility costs in general will rise. The Department's request of \$1,400,000 additional funding is the minimal increase that could be expected to meet projected needs.

## 5. Pavement Marking

The Department requests \$6,000,000 SEG in FY 16 and \$7,700,000 SEG in FY 17 for pavement marking needs. Pavement marking provides safety benefits to the traveling public, illuminating lanes and providing information to assist motorists. It is an important safety feature and one which the public has indicated needs improvement. A recent statewide customer survey showed that 58% of respondents were “least satisfied” by the Department’s efforts in “ensuring striping is visible at night and during wet weather.”

Pavement marking is one of the critical safety features evaluated in Compass, the Department’s quality assurance and asset management program for highway operations. Compass assigns a letter grade to the overall maintenance condition of each feature (from “A” to “F”). The Pavement marking score dropped from B in 2012 to C in 2013.

Pavement marking is carried out by both county service providers and private contractors. Generally, county service providers are contracted for waterborne paint and private contractors are used to place epoxy paint. In recent years the state maintenance funding has been so restricted that there has been minimal base funding for pavement marking. For the past three years the Department has used federal funds for 80% of the costs of pavement marking, providing the 20% match from state funds. However, federal funding is uncertain and competing needs make it difficult for program staff to plan without base funding. While the Department will continue to utilize federal funding when available, this request would establish a state-funded base to ensure critical needs are met. This request would authorize \$6,000,000 in FY 16 and \$7,700,000 starting in FY 17, broken down by category as shown in Table 5.

**Table 5  
Pavement Marking Request**

| <u>Category</u>              | <u>FY 16 Request</u> | <u>FY17 Request</u> | <u>Biennium</u>  |
|------------------------------|----------------------|---------------------|------------------|
| Long line Waterborne Paint   | 2,300,000            | 4,000,000           | 6,300,000        |
| Long line Epoxy Paint LET    | 2,300,000            | 2,300,000           | 4,600,000        |
| Special Markings             | 500,000              | 500,000             | 1,000,000        |
| Round About Pavement Marking | <u>900,000</u>       | <u>900,000</u>      | <u>1,800,000</u> |
| Total Request                | \$6,000,000          | \$7,700,000         | \$13,700,000     |

Pavement marking needs include:

Long line. Estimated statewide long line pavement marking need is 203 million linear feet, with 5% (10.2 million linear feet) completed each year as part of existing highway improvement projects and 192.8 million linear feet remaining to be funded through the operations budget. Waterborne paint costs six cents per foot and lasts one year and epoxy paint is 18 to 24 cents per foot but lasts three to four years. About 60% of the long-line paint is waterborne and about 40% is epoxy.

Special markings. Special markings include rail crossing markings, arrows/symbols/words/island noses; curb markings, stop lines, parking stalls, and diagonals. Special markings employ epoxy paint and a four-year replacement cycle. Based on estimated costs, the funding shortfall is \$500,000 in each year.

Roundabouts: The number of roundabouts has increased on the state highway system for the last several years. From FY 10 through FY 14 an average of 35 new roundabouts were added to the system annually. This compares with the addition of an average of 13 annually from FY 05 through FY 09. At the end of FY 14 there were 246 roundabouts on the state highway system. Roundabouts have proven to significantly reduce deaths and serious injuries at intersections, but they require ongoing costs associated with specialized lighting and marking. The roundabout marking is a thermoplastic material that typically last five years. Of the 246 roundabouts, 73 have exceeded the useful life of the marking products. The Department does not have dedicated funding for this remarking activity and requests new funding to both

address the backlog and to remark newer roundabouts as they reach the end of the paint's five year life. It costs \$25,000 to re-mark a roundabout. Using a conservative estimate of an additional 36 new roundabouts each year, \$900,000 annually will be needed on an ongoing basis for this task. Initially this funding would be allocated mostly to reduce the backlog, and as the backlog is diminished, the goal would be to begin to remark on a regular five year schedule.

6. Highway signing replacements.

The Department requests \$3,297,300 in FY 16 and FY 17 to meet federal Manual on Uniform Traffic Control Devices (MUTCD) requirements and to replace aging, deteriorating signage. Table 6 shows the funding request by sign type. This funding will improve visibility of warning signs, meet December 2019 MUTCD compliance dates, and meet FHWA minimum retro-reflectivity requirements for Type I sign replacements, both overhead and ground mounted.

**Table 6  
Traffic Sign Funding Request by Category**

|  | <u>FY16 Request</u> | <u>FY17 Request</u> | <u>Biennium</u>  |
|--|---------------------|---------------------|------------------|
| Type 1 - Ground Mount                    | 592,800             | 592,800             | 1,185,600        |
| Type 1 - Overhead                        | 387,000             | 387,000             | 774,000          |
| Type 2 - Horizontal Alignment<br>Warning | 660,000             | 660,000             | 1,320,000        |
| Type 2 - One Way                         | 82,500              | 82,500              | 165,000          |
| Annual Type II Unmet Need                | <u>1,575,000</u>    | <u>1,575,000</u>    | <u>3,150,000</u> |
| Total                                    | \$ 3,297,300        | \$ 3,297,300        | \$ 6,594,600     |

Type 1. Type 1 signs consist of an extruded aluminum type base material, with a removable message and are either ground mounted on steel I-beams or overhead mounted on sign structures. Type I signs should be replaced every 12 years and the Wisconsin replacement cycle is significantly longer than this. The last time the Department replaced Type I signs based on life cycle was in 2003. With 150 overhead Type 1 signs, at an average cost of \$5,160 per sign, the total funding needed is \$387,000 per fiscal year. Based on 260 ground mounted Type 1 signs, at an average cost of \$4,560 per sign, the total funding needed is \$592,800 per year in FY 16 and FY 17.

Type II. Type II signs consist of either a plywood or flat sheet aluminum base material, with a non-removable message (ink, sheeting or adhesive film), that are ground mounted on wood or steel posts or overhead mounted on sign structures. Annually, the Department replaces approximately 10,500 fewer Type II signs than what would be needed to keep up with the desired 12-year replacement cycle. At an average cost of \$150 per sign, the annual need exceeds available funding by \$1,575,000 and the Department requests adequate funding to meet the annual replacement schedule.

Type II ONE WAY Signing replacements are required per the 2009 MUTCD. Based on 1,100 signs and an average cost of \$150 per sign, the total funding needed would be \$82,500 per year in FY 16 and FY 17.

Type II Horizontal Alignment Sign replacements are required per the 2009 MUTCD. Based on 8,800 signs and an average cost of \$150 per sign, the total funding needed would be \$660,000 per year in FY 16 and FY 17.

## 7. ITS and Signals Capital Needs

The Department requests \$7,500,000 in SEG funding and \$3,000,000 in FED funding in FY 16 and FY 17 to replace ITS and signals that have reached the end of their useful lives and ensure the highway system functions optimally and safely.

There are 1,000 signalized intersections on the state highway system. Those 1,000 intersections have a capital value of \$200 million. There are currently 970 ITS devices deployed on the state highway network and the value of these deployments exceeds \$43.5 million. ITS improve transportation safety and mobility and enhance productivity through the integration of advanced communications technologies with the transportation infrastructure and vehicles. ITS deployments encompass a broad range of wireless and wire line communications-based information and electronics technologies. These technologies include (but are not limited to): CCTVs, highway advisory radios, speed detection sensors, variable message signs and ramp gate meters. To communicate with these devices, the Department owns and maintains over 500 miles of fiber with an asset value of \$45 million, and leases another 1,600 miles of fiber. In total the Department asset investment in these infrastructure components is more than \$288 million.

The expected lifecycle and replacement costs of these devices are shown in the table below.

**Table 7  
Traffic Operations Infrastructure Lifecycles**

| <u>Infrastructure Type</u>      | <u>Lifecycle (years)</u> | <u>Per Device Replacement Cost</u> |
|---------------------------------|--------------------------|------------------------------------|
| CCTVs                           | 10                       | \$2,900                            |
| Dynamic Message Signs           | 15                       | \$97,000                           |
| Highway Advisory Radio          | 5                        | \$31,000                           |
| Speed Detector Sensors          | 10                       | \$3,900                            |
| Ramp Gate Meters                | 10                       | \$2,300                            |
| Traffic Signal Infrastructure   | 20                       | \$200,000                          |
| Overhead sign bridge structures | 50                       | \$150,000                          |
| Controllers                     | 10                       | \$5,000                            |
| Poles                           | 20                       | \$7,400                            |
| Cabinets                        | 20                       | \$3,800                            |

Based on the lifecycle, number of devices and costs per device, the table below shows the annual cost of keeping up with lifecycle replacement needs.

**Table 8  
Annual Lifecycle Replacement Costs**

|               | <u>ITS</u>            | <u>Traffic Control Signals</u><br>46 Intersections |
|---------------|-----------------------|--|
| Annual Volume | 398 Device Components | 135 Device Components                              |
| Annual Cost   | \$2,850,000           | \$9,975,000  |

**Backlogged replacement needs.** In the 2013-15 biennial budget the Department received \$10,000,000 annually to address long-standing ITS and traffic control signal needs. The purposes of the funding are two-fold – to address a large backlog of replacement needs, and to keep up with lifecycle replacements as devices reach the end of their useful lives. The level of funding allocated in the 2013-15 budget does not enable the Department to address both these needs and the primary focus during this biennium has been on ongoing lifecycle replacements. As Table 8, above, indicates, lifecycle replacement needs alone

could fully utilize the \$10,000,000 annual amount. While some of this funding has begun to reduce the backlog, more funding is necessary to make reasonable progress toward this goal. Table 8 shows the existing backlog of ITS and signals devices, and the cost to address it over a ten year period.

**Table 9  
Replacement Backlog Estimates**

|   | ITS          | Traffic Control Signals                      |
|---|--------------|--|
| Backlog volume                              | 100 Devices  | 138 Intersections<br>492 Communication Links |
|   | \$18,055,800 | \$72,898,600                                 |
| Annual cost to reduce backlog over 10-years | 10 Devices   | 14 Intersections<br>55 Communication Links   |
|   | \$1,805,600  | \$7,289,900                                  |

Table 10, below, shows that more than \$20,000,000 in funding annually is needed to meet replacement needs and address the existing backlog over the next ten years.

**Table 10  
Funding Needs for Replacement and Backlog Reduction**

|                                      | <u>ITS</u>       | <u>Traffic Control Signals</u> |
|--------------------------------------|------------------|--------------------------------|
| Cost of annualized replacement       | \$2,850,000      | \$9,975,000                    |
| Cost of annualized backlog reduction | <u>1,805,600</u> | <u>7,289,900</u>               |
| Total                                | \$4,655,600      | \$17,264,900                   |

Federal funding. In addition to increased SEG funding, the Department’s request includes \$3,000,000 in base federal funding for this program (see DIN 5302). This will enable the program to optimize its use of the federal Highway Safety Improvement Program (HSIP), which addresses projects where safety is a significant factor. Since most federal funding requires state matching funds, authorizing a federal base for this program will leverage state dollars and expand project deployments. Since HSIP eligible projects are high priority from a safety perspective, this will have an overall beneficial impact by funding more safety improvements than could be done with state dollars alone.

Benefits of Requested Funding. Additional funding for capital expenditures for ITS and signals will produce benefits to the state’s transportation system:

- Signals. With current funding levels, some of the oldest and most deficient signals on the system will not be updated for several years. These older signals, which account for 15% of all signalized intersections, are generally more expensive to replace since they require geometric improvements, complex design, right-of-way acquisition, communication network improvements as well as the general signal structure replacement. Only a very limited number of these more complex upgrades can be undertaken in each biennium with available funding.

The Department recently participated in a Traffic Signal Self-Assessment – a “report card” that compares Wisconsin’s results to other states in the operation and management of our signal systems. This resulted in a grade of D+. Overall, 20% of the current state traffic control signal network is out-of-date. An infrastructure network with this level of deficiency has negative impacts on congestion, reliability and safety and also has increased maintenance and repair costs. Some actions, such as retiming signals return significant benefit in travel time reduction at relatively low cost.

- **Communications.** Additional funding will also be devoted to signal communication network improvements. Currently only 40% of signalized intersections across the state highway system have remote communication capabilities. Having those remote capabilities allows the Department to quickly make timing changes without having to make trips to the intersection. It also allows for quick reaction to incidents by diverting traffic, reducing secondary crash possibilities and keeping traffic flowing. Implementing the requested level of funding will allow the Department to install remote capabilities at 80% of intersections across the state highway system by the end of the 2017-2019 biennium.
- **ITS.** Overall 35% of the ITS network is out-of-date, deficient, or incomplete along key corridors. That level of deficiency leads to reduced reliability of traveler information systems and traffic control devices. Out of date equipment increases maintenance and repair costs. Incomplete corridor coverage reduces system efficiency and also limits opportunities to improve traveler information and safety. ITS devices such as closed circuit traffic cameras, ramp gate meters and dynamic message signs provide a relatively inexpensive way to aid traffic flow, improve congestion and can lengthen the useful life of highways.

A 2011 report “Intelligent Transportation Systems Benefits, Costs, Deployment, and Lessons Learned Desk Reference” by the U.S. Department of Transportation focuses on ITS investments that have the potential for significant payoff on goals to improve safety, mobility, productivity, and environmental sustainability. It cites ramp metering, dynamic message signs and other ITS devices as technologies that have a positive benefit to cost ratio and a positive impact on the stated goals.

In additional, information presented at a forum for traffic operations officials<sup>6</sup> provided the following estimated benefits of certain technologies:

**Table 11  
Benefits of ITS and Signal Retiming**

| <u>Action</u>  | <u>Benefit</u>                         |
|--|--|
| Traffic Signal Retiming                              | Delay reduced 8% to 25%                |
| Ramp Metering  | Speeds increased 24%                   |
| Traveler Information (such as dynamic message signs) | On time reliability improved 5% to 16% |

#### 8. Management and Oversight of ITS and Signals Deployment

The Department requests \$800,000 in FY 16 and FY 17 for increased oversight costs. Although installation of ITS and signals devices is primarily done by private contractors, state staff time is required to plan deployments, oversee contractors, to verify that design meets state standards and to ensure that the devices are integrated into the IT system network. When work of this nature is done as part of a highway improvement project, the staff costs are charged to the project. Since these are stand-alone installations that are not funded from the improvement program, funding is needed to cover these costs. During FY 15 it is estimated that \$400,000 in state staff time will be required to program and deliver \$10,000,000 in projects. The requested increase in ITS and signals infrastructure funding will more than double the program and staff costs are expected to reflect that increase.

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<sup>6</sup> The Operations Academy is a training program for traffic operations officials, supported by the National Transportation Operations Coalition (NTOC), the Federal Highway Administration (FHWA), and the Institute of Transportation Engineers (ITE).

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5306

**TOPIC:** Modifications to Traffic System Management and Operations Appropriations

**DESCRIPTION OF CHANGE:** Modify s. 20.395 (3)(et) *Intelligent transportation systems and traffic control signals, state funds*, s.20.395 (3)(eu) *Intelligent transportation systems and traffic control signals, local funds* and s. 20.395 (3)(ez) *Intelligent transportation systems and traffic control signals, federal funds*, Wis. Stats, as follows:

- Change the titles to *Traffic system management and operations*.
- Eliminate the sunset date.
- Expand the purpose of the appropriations to include all traffic system management and operations activities, which include:
  - Traffic system planning, design, deployment and management related to highway improvement projects.
    - Operational analysis to ensure consistent implementation of traffic modeling, traffic impact analyses and intersection control evaluation for highway improvement projects.
    - Traffic safety engineering to create safer highway designs and improve safety in work zones.
    - Work zone management to ensure consistent implementation of the federal safety rules in construction zones and to implement strategies to minimize traffic delays.
    - Planning and design of intelligent transportation systems (ITS) infrastructure and signal systems,
  - Deployment, repair, maintenance and enhancement of traffic systems and safety devices.
  - Repair, replacement and maintenance of traffic control equipment, including ITS, signals and lighting.
  - Deployment and maintenance of signs that provide traffic, safety and travel information.
  - Pavement marking and striping.
  - Operation of the State Traffic Operations Center and its information technology systems, which provide real-time traffic data to law enforcement, first responders and the public.
  - Collection, analysis and provision of travel and highway system information for use by government, business and the public.
  - Coordination of the state's Emergency Transportation Operations and Traffic Incident Management programs which ensure coordinated operation of the transportation system during emergencies and traffic incidents.
- Transfer the Special Information Signs reference (see s. 86.195) from Appropriation 375, s.20.395 (3)(ev), Wis. Stats., *Highway system management and operations, local funds* to appropriation 354, s.20.395 (3)(eu), Wis. Stats., *Traffic system management and operations, local funds* (as renamed).
- Clarify that revenues from s. 86.196, Tourist-oriented directional signs, are deposited to s.20.395 (3)(eu), Wis. Stats., *Traffic system management and operations, local funds* (as renamed).

**JUSTIFICATION:**

The current Highway System Management and Operations program has three major program areas: highway maintenance, bridge inspection and maintenance, and traffic operations. State funded management and operations for these three program areas are all funded under s. 20.395 (3)(eq), Wis Stats., *Highway System Management and Operations, state funds*. The area of traffic operations has grown in scope and significance in recent years with computerized traffic control and monitoring systems and an increased safety focus, resulting in more lighting, signing and pavement marking needs as well as more attention to work zone mitigation and traffic incident response and management. Overall, funding has not kept pace and competing priorities have meant that traffic operations have not received support commensurate with growing needs.

Highway System Management and Operations funding has been insufficient to adequately support traffic operations and maintenance activities. Severe winter weather has required extensive winter maintenance activities and salt purchases, and in three of the last four years the Department has had to request supplements from the Legislature through the s. 13.10 process.

2013 Act 20, the 2013-15 biennial budget, took the first step to improve that situation by creating the appropriations under s. 20.395 (3)(et), (eu) and (ez), Wis. Stats., and providing \$10 million annually for ITS and signals capital costs. In this biennial budget, the Department is requesting that the appropriations be broadened to fund traffic operations and management activities as well as capital investments, and is seeking increased funding for these purposes.

## DIN 5307: HIGHWAY MAINTENANCE AND WINTER FUNDING

|                   |                             |                |                    |                     |                |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------------|
| DEPARTMENT: 395   | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 5307 |                |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL          |
| 06                | SUPPLIES & SERVICES         |                | 700,000.00         | 700,000.00          | 1,400,000.00   |
| 13                | MC IMPR/R-E/MAINT/ENG SERV  |                | 24,262,000.00      | 26,642,000.00       | 50,904,000.00  |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 24,262,000.00-     | 26,642,000.00-      | 50,904,000.00- |
| 16                | DELIVERY CHARGES/CREDITS    |                | 700,000.00-        | 700,000.00-         | 1,400,000.00-  |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00            |

**SUMMARY:** The Department requests \$24,962,000 SEG in FY 16 and \$32,742,000 SEG in FY 17 in Appropriation 365, s.20.395 (3)(eq), Wis. Stats., for highway and bridge inspection, maintenance and operations needs and for the purchase of road salt for winter snow and ice removal.

**DISCUSSION:** Funding for the highway and bridge maintenance and operations programs has been significantly less than what is needed to provide basic maintenance and asset management services and to purchase and house the salt used on the state highway system. In FY 11, FY 13 and 14 the Department requested supplemental funding through the Legislature's s. 13.10 process to cover winter salt costs and other winter costs.<sup>7</sup> 2013 Wisconsin Act 20, the 2013-15 biennial budget, took the first step toward addressing the shortfall in these needs. The highway maintenance and operations program was split into two programs – (1) routine maintenance activities performed under contract by county highway departments, and (2) other maintenance performed by state staff and contractors. The Department requested and received additional funding for routine maintenance but no additional funding was authorized for other highway maintenance and operations activities, including salt purchases.

In this initiative, the Department requests funding to address needs for asset management activities such as highway and bridge inspection, maintenance, and operations that typically are delivered by state staff or private contract, for purchase of salt, and to construct additional salt storage capacity. The Department's request is summarized in the table below.

<sup>7</sup>In FY 14 the Department received supplemental funding in Appropriation 365 for salt costs and in Appropriation 368, s.20.395(3)(es)*Routine Maintenance Activities, state funds*, Wis Stats., for routine maintenance services delivered by the counties under contract to the Department.

### 2015-17 Budget Request Summary

| <u>Program Area</u>                                  | <u>FY 16<br/>Request</u> | <u>FY 17<br/>Request</u> | <u>2015-17<br/>Total</u> |
|--|--------------------------|--------------------------|--------------------------|
| Roadside Facilities                                  | \$1,823,000              | \$323,000                | \$2,146,000              |
| Bridge Inspection and Repair                         | 170,000                  | 170,000                  | 340,000                  |
| Ancillary Structure Inventory, Inspection and Repair | 2,050,000                | 1,800,000                | 3,850,000                |
| Culvert Inventory and Inspection                     | 720,000                  | 720,000                  | 1,440,000                |
| Salt and Vendor Reserve Salt                         | 15,949,000               | 19,329,000               | 35,278,000               |
| Salt Sheds   | 0                        | 4,250,000                | 4,250,000                |
| Strategic Salt Reserve                               | 3,500,000                | 5,400,000                | 8,900,000                |
| Non-routine winter activities                        | 50,000                   | 50,000                   | 100,000                  |
| Fleet and computer cost increases                    | 700,000                  | 700,000                  | 1,400,000                |
| <b>Total</b>   | <b>\$24,962,000</b>      | <b>\$32,742,000</b>      | <b>\$57,704,000</b>      |

- Provide \$1,823,000 SEG in FY 16 and \$323,000 SEG in FY 17 to address insufficient funding in the rest area management program which provides day-to-day maintenance and repairs for the state’s rest areas and waysides. This includes a one-time allocation of \$1,500,000 in FY 16 to correct a long-term backlog of unmet facility repair needs, and ongoing funding of \$323,000 in both years to meet day-to-day maintenance and repair needs.
- Provide \$170,000 SEG in each year to fund increased bridge inspection and maintenance costs.
- Provide \$2,050,000 SEG in FY 16 and \$1,800,000 SEG FY 17 to create an inspection and maintenance program for “ancillary structures.” Ancillary structures include retaining walls, noise barriers, ramp gates, camera mounting structures, and other related facilities that are part of the highway system and require regular inspection and repair for the safety of the traveling public. Also included are high mast light poles and sign bridges. The Department has no dedicated funding for this purpose.
- Provide \$720,000 SEG in each year to fund a statewide culvert inventory and inspection program. The Department has no dedicated funding for this purpose.
- Provide \$15,949,000 SEG in FY 16 and \$19,329,000 SEG in FY 17 to adequately fund the purchase of winter salt for the state highway system. Insufficient funding has necessitated the Department’s request for supplemental funding through the s. 13.10 process three of the past four years.
- Provide \$4,250,000 SEG annually starting in FY 17 to build more salt sheds to create additional storage capacity and to replace sheds that have exceeded their useful life.

- Provide one-time funding of \$3,500,000 SEG in FY 16 and \$5,400,000 SEG in FY 17 to build five regional salt storage facilities and purchase salt to create a strategic reserve.
- Provide \$50,000 SEG in FY 16 and FY 17 for increased winter maintenance activities other than those contracted to county highway departments.
- Provide \$700,000 SEG in FY 16 and FY 17 for increased costs related to freight route management and mitigation.

**Department of Transportation  
2015-17 Biennial Budget Issue Request  
ISSUE PAPER**

**PROGRAM:** Highway and Bridge Maintenance

**DIN:** 5307

**ISSUE TITLE:** Highway and Bridge Inspection and Maintenance

**REQUEST:**

The Department requests \$24,962,000 SEG in FY 16 and \$32,742,000 SEG in FY 17 in Appropriation 365, s.20.395 (3)(eq) Wis. Stats., for highway and bridge inspection, maintenance and operations needs and for the purchase of road salt for winter snow and ice removal.

**SUMMARY:**

- Provide \$1,823,000 SEG in FY 16 and \$323,000 SEG in FY 17 to address insufficient funding in the rest area management program which provides day-to-day maintenance and repairs for the state's rest areas and waysides. This includes a one-time allocation of \$1,500,000 in FY 16 to correct a long-term backlog of unmet facility repair needs, and ongoing funding of \$323,000 in both years to meet day-to-day maintenance and repair needs.
- Provide \$170,000 SEG in each year to fund increased bridge inspection and maintenance costs.
- Provide \$2,050,000 SEG in FY 16 and \$1,800,000 in FY 17 to create an inspection, repair and maintenance program for "ancillary structures." Ancillary structures include retaining walls, noise barriers, ramp gates, camera mounting structures, and other related facilities that are part of the highway system and require regular inspection and repair for the safety of the traveling public. Also included are high mast light poles and sign bridges that hold large overhead freeway signs. The Department has no dedicated funding for this purpose.
- Provide \$720,000 SEG in each year to fund a statewide culvert inventory and inspection program. The Department has no dedicated funding for this purpose.
- Provide \$15,949,000 SEG in FY 16 and \$19,329,000 SEG in FY 17 to adequately fund the purchase of winter salt for the state highway system. Insufficient funding has necessitated the Department's request for supplemental funding through the s. 13.10 process three of the past four years.
- Provide \$4,250,000 SEG starting in FY 17 to build salt sheds to create additional state storage capacity and to replace sheds that have exceeded their useful life.
- Provide one-time funding of \$3,500,000 SEG in FY 16 and \$5,400,000 SEG in FY 17 to build five regional strategic salt storage facilities and purchase salt to create a strategic reserve.
- Provide \$50,000 SEG in FY 16 and FY 17 for increased winter maintenance activities other than those contracted to county highway departments.
- Provide \$700,000 SEG in FY 16 and FY 17 for increased costs related to freight route management and mitigation.

**Table 1  
2015-17 Budget Request Summary**

|   | <u>FY 16<br/>Request</u> | <u>FY 17<br/>Request</u> | <u>2015-17 Total</u> |
|---|--------------------------|--------------------------|----------------------|
| <u>Maintenance and Operations</u>                     |                          |                          |                      |
| Roadside Facilities                                   | \$1,823,000              | \$323,000                | \$2,146,000          |
| Bridge Inspection and Repair                          | 170,000                  | 170,000                  | 340,000              |
| Ancillary Structure Inventory, Inspection and Repair  | 2,050,000                | 1,800,000                | 3,850,000            |
| Culvert Inventory and Inspection                      | 720,000                  | 720,000                  | 1,440,000            |
| <u>Salt and Winter Activities</u>                     |                          |                          |                      |
| Salt and Vendor Reserve Salt                          | 15,949,000               | 19,329,000               | 35,278,000           |
| Salt Sheds  | 0                        | 4,250,000                | 4,250,000            |
| Strategic Salt Reserve                                | 3,500,000                | 5,400,000                | 8,900,000            |
| Non-routine winter activities                         | 50,000                   | 50,000                   | 100,000              |
| <u>Delivery</u>                                       |                          |                          |                      |
| Freight initiatives and staff delivery cost increases | 700,000                  | 700,000                  | 1,400,000            |
| <b>Total</b>  | <b>\$24,962,000</b>      | <b>\$32,742,000</b>      | <b>\$57,704,000</b>  |

Note: DIN 5306 transfers funding for traffic operations activities from Appropriation 365 to Appropriation 352. The table below shows the net changes to Appropriation 365 from that transfer and this request.

**Table 2  
Appropriation 365- Net Funding**

| <u>FY 15<br/>Adjusted<br/>Base</u> | <u>FY 16<br/>Transfer to<br/>352</u> | <u>FY 16<br/>Request</u> | <u>FY 16 Net of<br/>Transfer and<br/>Request</u> | <u>FY 17<br/>Transfer to<br/>352</u> | <u>FY 17<br/>Request</u> | <u>FY 17 Net of<br/>Transfer and<br/>Request</u> |
|------------------------------------|--------------------------------------|--------------------------|--|--------------------------------------|--------------------------|--|
| \$83,306,500                       | \$31,319,100                         | \$24,962,000             | \$76,949,400                                     | \$31,319,100                         | \$32,742,000             | \$84,729,400                                     |

**JUSTIFICATION:**

The Highway and Bridge Maintenance and Operations program includes a wide range of activities to support maintenance and operational functioning of the state's highway system. While most routine maintenance activities are done by the state's 72 counties under contract to the Department, much of the inspection and non-routine maintenance of state highways and bridges are carried out by state staff or private contractors, including:

- Bridge inspection, maintenance and repairs;
- Maintenance and repair of roadside facilities, including rest areas, waysides and historic markers;
- Base and shoulder repair, culvert inspection and repair, and vegetation management;
- Non-routine highway maintenance such as emergency and corrective actions to repair road washouts, bridge hits, pavement blowouts and buckling;

- Centralized purchase and provision of winter salt to county highway departments;
- Winter maintenance activities, such as salt shed inspections, that are not contracted to county highway departments;
- Coordination and oversight of county maintenance providers and contracted inspection and repair providers;
- Inspection and maintenance of sign structures and high mast light poles; inspection and maintenance of other ancillary structures, including noise walls, tunnels, retaining walls and small bridges are currently unfunded and this need is largely unmet.
- Asset management activities including data collection and analysis to assure safe and effective functioning of the state trunk highways system.

Funding for the highway and bridge maintenance and operations programs has been significantly less than what is needed to provide basic maintenance and asset management services and to purchase and house the salt used on the state highway system. In fiscal years 11, 13 and 14 the Department requested supplemental funding through the s. 13.10 process to cover salt costs and other winter costs.<sup>8</sup> The Department's long-term inability to allocate adequate resources is due to a combination of funding that has not kept pace with infrastructure growth, and weather. The table below shows the amounts appropriated to Appropriation 365 in the last five biennial budgets and the total expenditures in each fiscal year. In each year after FY 06, spending has exceeded authorized funding, usually due to additional needs for salt and winter operations.

**Table 3**  
**Appropriation 365**  
**Chapter 20 Budget Allocations and Program Expenditures (millions)**

|              | <u>FY 06</u> | <u>FY 07</u> | <u>FY 08</u> | <u>FY 09</u> | <u>FY10</u> | <u>FY11</u> | <u>FY12</u> | <u>FY 13</u> | <u>FY14**</u> | <u>FY 15</u> |
|--------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|--------------|---------------|--------------|
| Budget*      | 171.0        | 177.2        | 198.2        | 206.6        | 194.5       | 194.5       | 213.4       | 202.3        | 82.9          | 82.9         |
| Expenditures | 170.3        | 187.0        | 212.1        | 227.6        | 207.2       | 227.7       | 217.1       | 220.1        | 103.5         |              |

\* Amounts do not reflect supplemental s. 13.10 funding

\*\*Total reflects reallocation of routine maintenance funding to new Appropriation 368.

2013 Wisconsin Act 20, the 2013-15 biennial budget, took the first step toward addressing these program shortfalls. The highway maintenance and operations program was split into two appropriations – (1) routine maintenance activities performed under contract by county highway departments, and (2) other maintenance performed by state staff and contractors. The funding was separated and routine maintenance is now funded under the new Appropriation 368, s.20.395(3)(es), Wis. Stats., *Routine maintenance activities, state funds*. The Department requested and received additional funding for routine maintenance.

In this initiative, the Department requests funding to address needs in the rest of the maintenance program – non-routine highway and bridge asset management activities, including inspection, maintenance, repair and operations activities typically delivered by state staff or private contract.

<sup>8</sup>In FY 14 the Department received supplemental funding in both Appropriation 365 for salt costs and in 368, the routine maintenance appropriation, for services delivered by the counties under contract to the Department.

2015-17 Biennial Budget Request

1. Roadside Facilities

The Department requests \$1,823,000 in FY 16 and \$323,000 in FY 17 for needs in the Roadside Facilities program. The Bureau of Highway Maintenance is responsible for statewide planning, project design, maintenance, and operation of rest areas and other facilities along the state trunk highway (STH) system. Facilities include: (a) 30 rest areas; (b) 68 waysides; (c) 13 safety and weight enforcement facilities (SWEFs)<sup>9</sup>; and (d) scenic overlooks, table sites and historical marker pull-outs.

Through the Rest Area Maintenance (RAM) program, the Department contracts with 23 local Community Rehabilitation Programs (CRPs) to provide day-to-day maintenance at 30 rest areas and 127 seasonal sites. CRP is a private, non-profit program that provides rehabilitation services and employment to people with disabilities who might otherwise have limited opportunities. Oversight and coordination of the CRPs is provided by Rehabilitation for Wisconsin (RFW), a private non-profit organization. It also coordinates the maintenance at SWEFs, which support the Division of State Patrol's safety and weight enforcement program.

Funding to maintain and provide regular custodial and landscape management services and building repairs at roadside facilities is part of the highway system management and operations appropriation, which, as noted above, has been constrained for most of the last ten years. Non-discretionary costs for repairs, utilities and basic facility maintenance have increased, necessitating postponement of longer-term repairs. A \$1,500,000 back log in deferred repairs has resulted. This backlog includes fixes to sidewalks, pavement, and ventilation stacks; replacement of septic system valves, roof, floor tile and furnaces; American Disabilities Act (ADA) compliance updates; energy efficiency updates; landscape replacement and removal of Emerald Ash Borer damaged trees; and rehabilitation of historical markers and supports. The back-log by facility type is shown in Table 4:

**Table 4  
Roadside Facility Backlog**

| <u>Facility Type</u> | <u>Repair Backlog</u> |
|----------------------|-----------------------|
| Rest Areas           | \$1,298,000           |
| Waysides             | 169,000               |
| Historical Markers   | <u>35,000</u>         |
|                      | \$1,502,000           |

There are two elements to the Department's request for road-side facilities funding:

- Backlog of Repairs. Provide a one-time allocation of \$1,500,000 in FY 16 to address the backlog of repair needs for roadside facilities, summarized in the table above.
- Maintenance and Operations. Increase funding for day-to-day operations by \$323,000 in each year, which includes:
  - An increase of \$200,000 for the CRP contracts to reflect increased costs for repairs and day-to-day maintenance due to higher labor and equipment costs. The FY 15 contract is \$6,585,800 and the request represents a 3% increase.
  - An increase of \$23,000 for the RFW contract to reflect increased labor and health care costs. The FY 15 contract is \$778,000 and the request represents a 3% increase.
  - An increase of \$100,000 annually for mowing and snow removal for the 13 SWEFs, and repair and maintenance of Weigh in Motion scales. Costs of these activities were charged to the highway improvement program but are more appropriately funded from the maintenance and operations program. Because Appropriation 365 is inadequately funded, this cannot be absorbed and an increase is requested.

<sup>9</sup> SWEFS are the weighing facilities where the Division of State Patrol inspectors monitor truck weights.

## 2. Bridge Maintenance and Operations

The Department requests \$170,000 in each year for bridge inspection and maintenance. There are over 14,000 state and local bridges in Wisconsin. Base level funding of \$1,285,000 in the highway system management and operations appropriation has not kept pace with the number and increasing complexity of the required inspections and the critical repairs required for bridge safety. There are two components to the Department's bridge inspection request:

- Statewide Inspections \$120,000 annually: The Statewide Structures Inspection Program assures these bridges are inspected to meet the National Bridge Inspection Standards (NBIS). In FY 15, the Federal Highway Administration (FHWA) implemented changes to its bridge inspection requirements to create uniformity and consistency nationwide. This new standard requires additional resources because more bridge features must be observed and recorded, increasing the time associated with each inspection. In addition, the Department is now required to track and oversee the completion of local bridge inspections which will increase state costs.
- Border bridge inspection and maintenance \$50,000 annually: Wisconsin shares 33 bridges with neighboring states (three with Iowa, 13 with Michigan and 17 with Minnesota). There are inter-state agreements to cover specified maintenance costs for these structures<sup>10</sup>. Many of these border bridges are aging and preservation and preventive maintenance work is necessary to extend their life. They tend to be large structures which are costly to rehabilitate or replace so optimal maintenance investments are cost-effective. In FY 15, \$300,000 was allocated for the inspection and maintenance needs under these agreements. As with other bridge inspections, these bridge inspections are more work-intensive under FHWA's new requirements, resulting in increased costs. Increased funding is also needed for the actual costs of maintenance and the Department is requesting a funding increase to fulfill its responsibilities for these 33 border bridges.

## 3. Ancillary Structures Inventory and Inspection and Maintenance Program

The Department requests \$2,050,000 in FY 16 and \$1,800,000 in FY 17 to develop and implement an ancillary structures inspection and maintenance program. Currently these structures are not systematically inspected.

A modern highway network requires an increasing number of structural features that support traffic flow and safety. Examples include retaining walls, tunnels, noise barriers, plus overhead signal structures, high mast light poles (lighting on poles typically at least 98 feet tall), and ramp gates. With increasing deployment of systems to monitor traffic flow and provide information to assist drivers, the variety and number of these devices have grown. In addition, the growing number of large interstate highway reconstruction projects also results in more structures. These structures must be inspected and maintained to avoid failures that could impact public safety or traffic flow. As they age, these structures present an area of risk not previously encountered.

Also classified as ancillary structures are small bridges, since the Federal Highway Administration (FHWA) defines a "bridge" as 20 or more feet in length. These small bridges are not included in the existing bridge inspection program.

The Department's request to improve its management of ancillary structures has two elements:

- Inventory and inspection program \$600,000 in FY 16 and FY 17: The Department intends to develop an inventory of all ancillary structures and create an inspection program that will base inspection frequency on the expected useful life for that structure type. Structures where failure can have significant safety impacts will be inspected more frequently. The program will include timelines, data collection and storage requirements, condition assessment metrics, and information on appropriate maintenance, repair, and rehabilitation treatments.

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<sup>10</sup> There are other border bridges for which local governments fund maintenance costs.

The Department does not have the resources or expertise to meet all inspection requirements for ancillary structures. New program inspections will be performed by a combination of state staff, county highway department staff, and additional consultant services. This request would fund the increased consultant services. State staff and county forces participation would be funded from existing resources. The outsourced program components would include:

- \$200,000 annually for a management consultant to develop and oversee the program.
  - \$400,000 annually to hire necessary consultants for outsourced inspections.
- Maintenance program \$1,450,000 in FY 16 and \$1,200,000 in FY 17: In addition to inventory and inspection, funding is necessary to carry out maintenance activities related to ancillary structures. This program request has two components:
    - The Department requests \$450,000 in FY 16 and \$200,000 in FY 17 for inspection, maintenance and repair of sign structures and light poles. With the increasing number of large overhead freeway signs and lighting, this is an ongoing, unfunded need. Funding would be used to hire consultants to inspect and repair high mast light poles and sign bridge structures. A recent inspection determined the bolts that secure certain signal system poles or “monotubes” to their plates were rusted, presenting a potential safety hazard. This discovery prompted inspection of similar monotubes and the Department will be replacing bolts on almost 400 structures at about \$1,000 per monotube. The higher level of funding requested in FY 16 would be used to address the inspection and repair backlog.
    - The Department requests \$1,000,000 in FY 16 and FY 17 for maintenance activities related to other ancillary structures, including small bridges. This includes activities such as deck patching, sealant placement, bolting, precast panel repair, and joint replacement. In FY 14 almost \$1,000,000 was spent on high priority ancillary structure maintenance and repair. Since no dedicated funding existed for this purpose, the program had to reduce other lower priority activities where safety considerations were less significant, resulting in deferred maintenance and a backlog of needs.

**Table 5  
Ancillary Structure Inspection and Maintenance Program**

|   | <u>FY 16</u>       | <u>FY 17</u>       |
|---|--------------------|--------------------|
| Program Management Consultant: program development and ongoing management | \$200,000          | \$200,000          |
| Specialized Consultant Inspection Services                                | 400,000            | 400,000            |
| Sign structure and high mast lighting inspection and bolting              | 450,000            | 200,000            |
| Ancillary Structure Maintenance   | 1,000,000          | 1,000,000          |
| <b>Total</b>  | <b>\$2,050,000</b> | <b>\$1,800,000</b> |

**4. Pipe Culvert Inventory and Inspection Program**

The Department requests \$720,000 annually to create a pipe culvert<sup>11</sup> inventory, inspection and maintenance program. It is estimated there are over 50,000 pipe culverts on the state trunk highway system. Culverts serve a critical drainage function and, when damaged or clogged, roadway problems and environmental concerns can arise. Depending upon the location and the extent of a problem, the consequences can be serious, including flooding or a roadway collapse.

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<sup>11</sup> “Culvert” also refers to certain bridges less than 20 feet in diameter, which are classified in this paper as ancillary structures. To distinguish, in this request the term “pipe culvert” is used which denotes round manufactured pipe, typically 4 to 6 feet in diameter and smaller.

Currently pipe culverts are not inspected on a regular cycle or evaluated using consistent criteria statewide. The Department wants to create a database of pipe culvert location and condition information and establish a routine inspection program. This will facilitate inspections on a schedule that will enable problems to be identified and preventive maintenance implemented.

The need for reliable location and condition information is a critical, often missing element, for identifying and programming maintenance and repair or replacement activities. The ability to identify culvert problems and respond before serious problems exist, often with less expensive remedies, currently is limited because a comprehensive inventory is not available.

The Department proposes creating an inventory and inspection program based on a four year cycle. Each year, one-quarter, approximately 13,000 culverts in 18 counties, would be inspected and catalogued. The request would fund nine crews of two persons per crew for six months a year. Cost is estimated to be \$80,000 per crew for salaries/fringe, travel, meals, training, and equipment. A regular training component would ensure reliable inspection and maintenance of the database and the acquisition of adequate technology to perform the inspections, record the results and the location, and update the database remotely.

#### 5. Funding for Road Salt

The Department requests \$15,949,000 SEG in FY 16 and \$19,329,000 SEG in FY 17 to fund an adequate supply of road salt for winter maintenance operations. Although many winter maintenance activities, such as snow plowing and applying chemicals, applying liquid anti-icing, snow fencing, and thawing culverts are primarily carried out by county highway forces under contract, the Department centrally purchases the salt that is applied by the county staff. This cost is funded through the Highway System Maintenance and Operations appropriation. The budgeted amount has fallen significantly short of needed spending for salt for several years. It has become almost impossible for department staff to allocate resources for other maintenance activities since salt purchases have consumed such a large proportion of program spending.

Salt purchase process. The Department's policy is to have a salt inventory on hand at the beginning of each winter season equal to at least 125% of the recent five year average usage. Each county orders and manages its own supply of salt for use on the state highway system within that county. Salt is purchased through a state bid managed by the Department. Counties and municipalities are allowed to participate in the state bid to buy salt for their own use so they also benefit from the combined buying power.

The current bid structure separates the salt bid into three categories: early fill, seasonal fill, and vendor reserve. To take advantage of lower prices, the Department purchases the bulk of its salt inventory each summer. This early fill salt must be delivered before November 15th and the vendor has the flexibility to deliver it over the several month time period between the award date and November 15<sup>th</sup>. Seasonal salt is delivered during the winter season and is needed in counties which either lack sufficient storage for an average winter or that need to refill smaller sheds because of demand. Delivery of this seasonal salt must be within 10 days of placement of the order. Both early fill and seasonal fill salt are guaranteed purchases. The Department also includes in the purchase-contract the option to purchase an additional supply of salt equal to as much as 30% of the average season use, at the same price per ton. This contract option is known as the vendor reserve. Vendors are required to maintain this reserve supply of salt available for purchase and delivery if the need arises. Unlike the seasonal salt, purchase is not guaranteed or required.

#### Salt Cost and Usage History

The table below shows the annual cost per ton of salt, tons used and the Department's Winter Severity Index (a numeric compilation of winter data including snow events, freezing rain events, snow amount and storm duration).

**Table 6  
Salt Cost and Usage History**

| Fiscal Year | Average Cost per Ton | Salt Costs | Actual Salt Used (Tons) | Winter Severity Index |
|-------------|----------------------|------------|-------------------------|-----------------------|
| 2006        | \$ 34.98             | \$ 14.3 M  | 410,226                 | 31.7                  |
| 2007        | 39.03                | 16.1 M     | 411,285                 | 28.4                  |
| 2008        | 41.69                | 26.9 M     | 644,485                 | 37.2                  |
| 2009        | 47.91                | 27.3 M     | 569,985                 | 36.2                  |
| 2010        | 60.92                | 24.9 M     | 408,523                 | 26.6                  |
| 2011        | 58.55                | 33.9 M     | 579,176                 | 38.4                  |
| 2012        | 59.18                | 21.0 M     | 355,519                 | 24.3                  |
| 2013        | 58.34                | 36.1 M     | 619,536                 | 37.2                  |
| 2014        | 60.78                | 40.7 M     | 669,807                 | 43.1                  |
| 2015        | * 69.01              |            |                         |                       |

\*Cost for summer FY 15 purchase. Total cost for FY 15 won't be calculated until actual tons are known at the end of the 2014-15 winter.

The average cost per ton of salt has increased over the last ten years from \$34.98 per ton in FY 06 to \$69.01 per ton in FY 15. This represents a 97.3% increase over the last decade, or about a 7.84% average annualized increase. If the increase continued at 7.84% annually, the FY 15 per ton cost of \$69.01 would increase to \$74.42 in FY 16 and \$80.25 in FY 17.

Over this same time period, the moving five year average of salt used, shown in Table 7, has increased from 370,150 tons in 2006 to 526,512 tons in 2014. This indicates that, although there is significant year-to-year variability, the trend is that salt needs are increasing.

**Table 7  
Moving Five Year Average Salt Usage**

| Fiscal Year | Annual Usage (tons) | Moving Five Year Average Usage |
|-------------|---------------------|--------------------------------|
| 2002        | 309,461             |                                |
| 2003        | 330,319             |                                |
| 2004        | 391,908             |                                |
| 2005        | 408,836             |                                |
| 2006        | 410,226             | 370,150                        |
| 2007        | 411,226             | 390,515                        |
| 2008        | 644,485             | 453,348                        |
| 2009        | 569,985             | 488,963                        |
| 2010        | 408,523             | 488,901                        |
| 2011        | 579,176             | 522,691                        |
| 2012        | 355,519             | 511,538                        |
| 2013        | 619,536             | 506,548                        |
| 2014        | 669,807             | 526,512                        |

Salt funding shortfall: Increasing per ton costs and high average usage have resulted in total salt spending that have exceeded available funding in three of the last four fiscal years, requiring supplemental funding for winter expenditures through the Legislature's s. 13.10 process, as shown in Table 8.

**Table 8**  
**s. 13.10 Supplemental Funding for Salt Costs**

| <u>Fiscal Year</u> | <u>Action</u> | <u>Funding for Salt</u> |
|--------------------|---------------|-------------------------|
| 2011               | 13.10         | \$ 15,600,000           |
| 2012               | NA            | NA                      |
| 2013               | 13.10         | \$ 11,220,000           |
| 2014               | 13.10         | \$ 11,363,700           |

Because funding supplements are not assured, with an inadequate budget for salt as each winter approaches, the Department has made difficult highway operations program trade-offs, resulting in other needed system investments being reduced or postponed. Although vendor reserve has been required in increasing amounts, the Department does not have adequate funding to budget for this expense, making more likely that overspending may occur.

Projected salt budget increase: The table below summarizes the projected salt budget increase necessary for FY16 and FY 17. Tons are calculated by using the most recent five year rolling average of salt purchased, including guaranteed (433,300 tons) and vendor reserve (146,500 tons). The cost per ton assumes a 7.84% average annualized increase, calculated from the FY 15 price of \$69.01.

**Table 9**  
**Projected FY 16 and FY 17 Salt Budget Increase**

| <u>Fiscal Year</u> | <u>Tons Needed</u> | <u>Cost per Ton</u> | <u>Total Cost*</u> | <u>FY 15 Base Salt Budget</u> | <u>Funding Increase</u> |
|--------------------|--------------------|---------------------|--------------------|-------------------------------|-------------------------|
| 2016               | 579,800            | \$74.42             | \$ 43,149,000      | \$ 27,200,000                 | \$ 15,949,000           |
| 2017               | 579,800            | \$80.25             | \$ 46,529,000      | \$ 27,200,000                 | \$ 19,329,000           |

\*Rounded to nearest \$1,000

Salt Storage Capacity: As noted, the Department's goal is to have salt storage capacity equal to 125% of the five year average salt usage. Currently, statewide the state-financed capacity is about 500,000 tons. The current five year average of salt usage is 526,512 tons. Creating 125% of average usage for the state as a whole would mean having capacity equal to 660,000 tons of storage. The Department proposes reaching the 125% goal in two ways - increasing and replacing state-system capacity in each county, and developing regional reserves. This request would include: adding 120,000 tons of additional state system salt storage in counties with inadequate capacity; and adding 40,000 to 50,000 tons of capacity through development of regional strategic salt reserves.

Having more salt storage capacity should reduce overall salt costs. The delivery of early fill salt allows the greatest flexibility for the vendor and therefore the lowest prices. More seasonal salt and vendor reserve salt results in a higher overall bid price due to the short-notice delivery requirements and the storage costs the vendor has to build into the price. The state could optimize its salt spending by taking more of its salt as early fill. As noted, each county's salt costs are based on that area's needs, distance the salt has to travel, and how much can be stored. Bid prices for counties that can store 100% or more of their expected needs are, on average, lower than counties that do not have sufficient capacity. This is because it costs the vendor to store the undelivered salt and make repeated trips to refill sheds. In FY 15, Department staff estimate that, if the 51 counties with less than 100% capacity could have stored enough salt to meet their expected needs, their bid prices would have reflected a savings of at least \$1 per ton. Additional capacity could also open up the bid to more competition, including railroad delivery. Rail delivery options are currently excluded because suppliers cannot guarantee delivery of seasonal or vendor reserve salt within 10 days, as required by contract. To take more salt as early fill, the state needs more storage capacity. To the extent that some seasonal salt is still necessary, added storage capacity would also reduce the need to pay the vendor to store unused seasonal salt.

#### 6. Adding New Salt Storage Capacity and Replacing Old Sheds

The Department requests \$4,250,000 annually, starting in FY 17: \$2,250,000 to add state storage capacity in counties with inadequate salt storage; and \$2,000,000 to fund replacement of existing salt sheds.

Adding new capacity: In 2013 the Department completed the “Salt Storage Report – 2011-2012.” This report was a comprehensive analysis of salt storage capacity on the state highway system around the state. Key points included:

- Only 21 of 72 counties have capacity equal to 100% or more of their expected need. Ten of 72 counties meet the 125% capacity target.
- 32 counties have less than 80% of the capacity needed to meet the five year average usage.
- 20% of facilities statewide are deficient and many facilities are old and small.

Based on a 10 year plan, the Department would have to add 12,000 tons of state system storage capacity annually to achieve the 120,000 additional ton goal of this part of the request. This translates to building three new 4,000 ton salt facilities per year. New construction of a 4,000 ton salt storage facility generally costs \$750,000 per site (\$250,000 for land, site development and design, and \$500,000 for building construction). Development of three facilities per year (12,000 tons in additional storage) would be \$2,250,000 annually.

Maintaining capacity. There are 307 sheds in counties that store state highway system salt and many of these have deficiencies. In addition, many are small (200 – 2,000 tons). These sheds are inefficient since they have to be refilled more frequently, increasing transportation costs. The Department plans, as these sheds require replacement, to consolidate and rebuild fewer but larger 4,000 ton sheds. In addition to adding capacity by constructing new sheds this request would enable replacement of existing sheds with more efficient buildings.

To house the goal of 620,000 tons of salt in 4,000 ton state-financed county sheds, the total number of storage facilities could be reduced to 155. A replacement schedule based on a 30 year life per facility would require the Department to replace five facilities each year, totaling 20,000 tons of storage capacity. It is estimated the replacement cost of existing facilities is \$400,000 per 4,000 ton facility. Replacing five facilities with new 4,000 ton sheds each year would require \$2,000,000 million per year.

#### 7. Strategic Salt Reserve.

The Department requests \$3,500,000 in FY 16 and \$5,400,000 in FY 17 to build and fill five regional strategic salt reserve facilities, adding an additional 40,000 - 50,000 tons of storage capacity statewide. By having a reserve facility in each region the Department could take advantage of lower prices by purchasing in bulk and giving the vendor delivery flexibility. By locating facilities on a regional basis, transportation costs to access the facility during a bad winter would be lower than trucking salt from the Port of Milwaukee or from whatever location happens to have availability.

According to the Department’s “Salt Storage Report – 2011-2012,” no region currently has the capacity to meet the 125% target. Existing regional capacities are: Southwest Region 64%; Northeast Region 80%, Southeast Region 80%, Northwest Region 86% and North Central Region 93%. This proposal would build two regional facilities in FY 16 and three facilities in FY 17.

Each facility would be built to hold 8,000 to 10,000 tons, and in total would generate additional system capacity of up to 50,000 tons. Cost estimates for building these facilities use the assumption that locating, purchasing, designing, and constructing an 8,000 to 10,000 ton salt storage facility would cost \$1,000,000 per site. Assuming 10,000 tons per location and salt costs per ton of \$74.42 in FY 16 and \$80.25 in FY 17, the table below summarizes the associated costs.

**Table 10  
Strategic Salt Reserve Development Costs**

| <u>FY 16</u> |                   |               |                   | <u>FY 17</u> |                   |               |                   |
|--------------|-------------------|---------------|-------------------|--------------|-------------------|---------------|-------------------|
| Sheds        | Shed Construction | Salt Purchase | Total Costs FY 16 | Sheds        | Shed Construction | Salt Purchase | Total Costs FY 17 |
| 2            | \$ 2,000,000      | \$ 1,500,000  | \$3,500,000       | 3            | \$ 3,000,000      | \$ 2,400,000  | \$5,400,000       |

8. Winter operations activities

The Department requests \$50,000 in each year to cover increased costs of a range of winter maintenance support efforts that are not performed by county highway forces. These activities include:

- TRANS 277 Salt shed inspection contract – The Department hires contractors to inspect salt sheds to ensure the salt is correctly covered and maintained to ensure no environmental contamination.
- Road Weather Information System network – The Department operates and maintains a 65-station road weather information system network. Operational costs include parts and labor, as well as a technician. The Department also hires a consultant to manage operation and maintenance of this system, the MDSS system and the Travel Weather Information System in rest areas (see below).
- Rest Area Data Transmission Network --The contract provides weather displays in all rest areas except two. Data is delivered via satellite and is processed in the rest areas on leased equipment.
- Maintenance Decision Support System (MDSS) – This system provides weather forecasts and pavement treatment recommendations to all county highway departments, primarily for winter operations. It consists of participation in the MDSS Pooled Fund and payment for constantly-updated weather forecast and treatment recommendations during the winter season. MDSS is the primary (road specific) weather forecast tool used by Highway Maintenance and provided to County Highway Departments.
- AVL/GPS - The Automatic Vehicle Location/Global Positioning System equipment is installed on county highway department plow vehicles. The Department funds monthly communications costs and parts and labor required to keep the system operational, as well as units on new plow vehicles purchased by the county highway departments.
- Public Service Announcements (PSAs) – The Department funds PSAs to provide winter driving information to the public.

The Department will be rebidding several contracts during the 2015-17 biennium, including salt shed inspections and road weather information system maintenance, and these costs are expected to increase. Winter driving public service announcement efforts also may be increased. FY 15 these efforts totaled \$1,348,000, as shown in Table 11. The requested cost increase of \$50,000 is an increase of 3.7%.

**Table 11**  
**Winter Activities Not Contracted to County Highway Forces**  
**FY 15 Funding Levels**

|   |                |
|---|----------------|
| TRANS 277 Salt Shed Inspection Contract                       | \$ 140,000     |
| Road Weather Information System (RWIS) and program management | 303,000        |
| Rest Area Data Transmission Network (DTN)                     | 45,000         |
| Public Service Announcements (PSAs)                           | 35,000         |
| Maintenance Decision Support System (MDSS)                    | 325,000        |
| AVL/GPS Communications and Operations                         | <u>500,000</u> |
| Total   | \$ 1,348,000   |

9. Freight Initiatives and Delivery Cost Increases

The Department requests \$700,000 SEG in each year to fund key activities to enhance freight movement and to address increased program delivery costs. Efficient freight movement is an increasing priority and the Department is adding capacity to improve freight operations on the state's transportation system.

Freight routing and review. In 2013, the Bureau of Highway Maintenance created a Freight Management and Roadside Facilities section to provide more visibility and focus and to bring together freight-related activities within the Division of Transportation System Development. One of the key activities in this section is route review for oversize overweight freight permits. Before permits for routes can be issued, review of road and bridge weight restrictions, work zones and road construction impediments must be analyzed to ensure freight can be efficiently moved. The Department utilizes consultants to provide this review function. In FY 15, the cost of this contract was \$325,000. The Department does not have base funding to cover this cost and requests additional funding for this purpose.

Freight mitigation. In addition to freight routing, the Department is also investing in freight mitigation projects that will address highway system bottlenecks that constrain freight movement. One example might be widening freeway ramps that are too narrow to accommodate trucks carrying wind tower components. Project designers will work with region staff to ensure priority project selection, design and implementation. While most project aspects will be funded from highway improvement programs, bureau and region freight staff are funded primarily from the highway system management appropriation. To fund additional staff hours involved in freight mitigation project planning and deployment, the Department requests an additional \$375,000 each year.

**DIN 5308: STATE LIFT BRIDGE FUNDING**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 5308 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 13                | MC IMPR/R-E/MAINT/ENG SERV  |                | 200,000.00         | 200,000.00          | 400,000.00  |
| 15                | MAJOR COSTS CHARGES/CREDITS |                | 200,000.00-        | 200,000.00-         | 400,000.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00         |

**SUMMARY:** The Department requests an increase of \$200,000 SEG in each year in Appropriation 366, s.20.395(3)(er), Wis. Stats., *State-owned lift bridge operations and maintenance, state funds.*, to fund the estimated statewide costs of operating and maintaining state-owned lift bridges in FY 16 and FY 17.

**DISCUSSION:** The Department owns 14 lift bridges and contracts with counties to operate them. Seven bridges are in Winnebago County, three in Brown County, two in Door County, and one each in Marinette and Pierce Counties. Under s. 84.10 and 84.15, Wis. Stats., the Department is responsible for the maintenance and operating costs of these bridges. Appropriation 366 was created as part of the 2005-2007 biennial budget (2005 Wisconsin Act 25) and the amounts appropriated and committed each year since its inception are listed below. [Note: state owned lift bridges are funded separately from the lift bridge aids program which provides reimbursement to municipalities for costs related to the operation and maintenance of lift bridges within their jurisdictions and along a connecting highway, s. 86.32 (2)(a), Wis. Stats.]

**Table 1  
Appropriation 366 Funding and Expenditure History**

| Fiscal Year | Chapter 20<br>Appropriation<br>Level | Expenditures<br>and<br>Encumbrances |
|-------------|--------------------------------------|-------------------------------------|
| FY 06       | \$ 2,188,600                         | \$ 2,188,584                        |
| FY 07       | \$ 2,232,400                         | \$ 2,475,930                        |
| FY 08       | \$ 2,232,400                         | \$ 2,372,161                        |
| FY 09       | \$ 2,232,400                         | \$ 2,283,669                        |
| FY 10       | \$ 2,210,100                         | \$ 2,277,083                        |
| FY 11       | \$ 2,210,100                         | \$ 2,188,155                        |
| FY 12       | \$ 2,210,100                         | \$ 2,254,990                        |
| FY 13       | \$ 2,210,100                         | \$ 2,220,750                        |
| FY 14       | \$ 2,210,100                         | \$ 2,327,535                        |
| FY 15       | \$ 2,210,100                         | NA                                  |

Appropriation 366 is an annual appropriation and at the end of each fiscal year if there is a positive balance it lapses to the Transportation Fund, and if there is a negative balance it has to be corrected. Since the appropriation cannot end in deficit, a negative balance is typically addressed by identifying alternative sources of funding and moving excess expenditures to that source. At the close of each of the last six fiscal years (FY 09 – FY 14), Appropriation 366 ended in a deficit and accounting adjustments were made that moved expenditures in the following amounts:

**Table 2**  
**Lift Bridge Expenditures in Excess of Appropriated Amounts**

|       |           |
|-------|-----------|
| FY 09 | \$102,500 |
| FY 10 | 160,000   |
| FY 11 | 128,550   |
| FY 12 | 260,700   |
| FY 13 | 83,390    |
| FY 14 | 105,200   |

Over the last six years \$842,290 in excess Appropriation 366 expenditures were transferred to Appropriation 365. The Highway System Management and Operations Appropriation, 365, is underfunded, has received supplemental funding from the Joint Committee on Finance through the s. 13.10 process in three of the last four years, and is requesting an increase to address unmet needs in the current biennial budget. Therefore, using it to fund shortfalls in Appropriation 366 is not a sustainable approach. This unfunded draw on Appropriation 365 adds to the difficulty the Bureaus of Highway Maintenance, Structures and Traffic Operations experience in planning and prioritizing their program spending.

The state lift bridge operation and maintenance costs are necessary to maintain the safe functioning of these bridges. Therefore a significant reduction in annual expenditures for this purpose is not feasible and the Department is requesting an addition of \$200,000 SEG in FY 16 and FY 17 to meet the program's repair and maintenance costs.

## DIN 6001: FEDERAL FUNDS REESTIMATES

|                                |             |                |                    |                     |               |
|--------------------------------|-------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395                | PROGRAM: 09 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 6001 |               |
| EXPENDITURE ITEMS              |             | 1ST YEAR COST  | 2ND YEAR COST      |                     | TOTAL         |
| 13 MC IMPR/R-E/MAINT/ENG SERV  |             | 2,312,100.00-  | 2,312,100.00-      |                     | 4,624,200.00- |
| 15 MAJOR COSTS CHARGES/CREDITS |             | 2,312,100.00   | 2,312,100.00       |                     | 4,624,200.00  |
| 17 TOTAL COST                  |             | .00            | .00                |                     | .00           |

**SUMMARY:** The Department re-estimated federal funds to more accurately reflect anticipated funding amounts. This re-estimate is for non-formula aid federal funding only. The net effect is (\$13,296,800) in FY 16 and (\$13,296,800) in FY 17 for these appropriations once standard budget adjustments are accounted for.

| <u>Appn</u> | <u>Name</u>                                   | <u>Adjusted Base</u> | <u>FY 16*</u>      | <u>FY 17*</u>      |
|-------------|---|----------------------|--------------------|--------------------|
| 182         | TRANSIT AND OTHER TRANSPORTATION-RELATED AIDS | 38,000,000           | 20,230,200         | 20,230,200         |
| 183         | ELDERLY AND DISABLED AIDS                     | 1,500,000            | 3,855,800          | 3,855,800          |
| 185         | HIGHWAY SAFETY, LOCAL ASSISTANCE              | 1,700,000            | 7,118,100          | 7,118,100          |
| 282         | RAIL SERVICE ASSISTANCE                       | 50,000               | 40,000             | 40,000             |
| 284         | AERONAUTICS ASSISTANCE                        | 73,939,900           | 71,637,800         | 71,637,800         |
| 481         | DEPARTMENTAL MANAGEMENT AND OPERATIONS        | 1,335,500            | 1,330,900          | 1,330,900          |
| 482         | TRANSIT SAFETY OVERSIGHT (NEW)                | 0                    | 286,600            | 290,900            |
| 582         | TRANSPORTATION SAFETY                         | 3,959,800            | 5,270,800          | 5,270,800          |
| 583         | VEHICLE REGISTRATION AND DRIVER LICENSING     | 261,700              | 388,100            | 357,300            |
| 584         | VEHICLE INSPECTION AND TRAFFIC ENFORCEMENT    | 8,603,900            | 5,967,600          | 5,967,600          |
|             | <b>TOTAL FEDERAL FUNDS</b>                    | <b>130,367,600</b>   | <b>117,042,700</b> | <b>117,016,200</b> |

\* Includes standard budget adjustments

**DISCUSSION:** In addition to formula aid funding provided by the Federal Highway Administration (FHWA), the Department also receives federal funding from a variety of federal agencies to be used for specific programs or to be provided to local units of government. The table above provides a more accurate projection of non-federal aid funding the Department expects to receive in FY 16 and FY 17 based on current program knowledge and previous grant amounts.

For most of the appropriations the re-estimate is based on historical funding amounts. The following appropriation totals were adjusted specifically:

- Appropriation 282: Amount reflects the remainder of a 2006 grant for a rails scanning project.
- Appropriation 481: Reflects transit funds in the Bureau of Transit & Local Roads in the Division of Transportation Investment Management.
- Appropriation 482: New Federal Transit Administration program for rail transit safety.

The Department works closely with other state, federal, and local agencies to meet changing and growing transportation needs. Federal funding is projected to make up 25 percent of total Department revenues in the 2015-17 biennium. The Department relies on federal funding from FHWA and other agencies to provide the safest, most efficient, and highest quality transportation services. This federal funding re-estimate more closely aligns budget authority with expected funding amounts.

**DIN 6020: OVERSIZE/OVERWEIGHT PERMITTING REORGANIZATION**

|                 |                                |             |                |                    |                     |               |
|-----------------|--------------------------------|-------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 |                                | PROGRAM: 09 | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 6020 |               |
|                 | EXPENDITURE ITEMS              |             | 1ST YEAR COST  | 2ND YEAR COST      |                     | TOTAL         |
| 01              | PERMANENT POSITION SALARIES    |             | 409,700.00     | 409,700.00         |                     | 819,400.00    |
| 05              | FRINGE BENEFITS                |             | 185,700.00     | 185,700.00         |                     | 371,400.00    |
| 06              | SUPPLIES & SERVICES            |             | 210,300.00     | 210,300.00         |                     | 420,600.00    |
| 16              | DELIVERY CHARGES/CREDITS       |             | 805,700.00-    | 805,700.00-        |                     | 1,611,400.00- |
| 17              | TOTAL COST                     |             | .00            | .00                |                     | .00           |
| 19              | CLASSIFIED POSITIONS AUTHORIZE |             | 9.00           | 9.00               |                     |               |

**SUMMARY:** The Department requests a transfer of \$805,700 SEG in FY 16 and FY 17 from appropriation s. 20.395(5)(cq), Wis. Stats., *Vehicle registration, inspection and maintenance, driver license and aircraft registration, state funds* to appropriation s. 20.395(3)(eq), Wis Stats., *Highway system management and operations, state funds*. This transfer is required to permanently align funding with changes made in an FY 15 cross-divisional reorganization that transferred the oversize overweight vehicle permitting function from the Permits Unit in the Bureau of Vehicle Services, Division of Motor Vehicles (DMV) to a new Oversize Overweight Permit Section in the Bureau of Highway Maintenance, Division of Transportation System Development (DTSD). This funding supports nine permanent staff and associated computer, communications and operational costs.

**DISCUSSION:** To preserve its roadways, Wisconsin limits the weight that trucks can haul per axle and also limits total gross vehicle weight. The Department authorizes vehicles to exceed general weight limitations through a permitting process, which enables it to limit impact on highways and bridges and to address highway project workzones by reviewing and approving routes.

The Department is identifying ways to improve freight operations on the state’s transportation system, including oversize overweight (OSOW) permitting. An opportunity was identified to improve internal decision-making, coordination, and communication by consolidating two aspects of the OSOW permitting process – route review and permit issuance. Prior to the change, the approval of OSOW route requests was handled by DTSD’s Bureau of Highway Maintenance and the issuance of permits by DMV’s Bureau of Vehicle Services. Significant communication between DMV and DTSD was required to determine if proposed permit routes were acceptable from the perspectives of permanent infrastructure geometrics and temporary construction project workzone impediments. Another benefit of the reorganization is that these permitting staff also are responsible for issuing and lifting spring thaw permitting restrictions and are now in the same bureau which makes the determinations as to when these permitting restrictions are put in place and removed.

|  |       |  |                                    |       |  |   |
|--|-------|--|------------------------------------|-------|--|---|
| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT | CODES | TITLES   | DECISION ITEM<br><br>NUMERIC APPN. | CODES | TITLES   | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br><b>B-10</b><br>PAGE <u>1</u> |
|  | 395   | Transportation   |                                    | 6020  | OSOW Permitting Reorg  |   |
|  | 09    | General Provisions                                     |                                    |       |  |   |
|  | 01    | Highways, Bridges & Local<br>Transportation Assistance |                                    | 61    | Highways, bridges and local transp.<br>assistance clearing account |   |

| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal<br>P-Project L-LTE |              |                               |                                  |                            |             |              |             |                    |                           |         |                    |    |
|---|--------------|-------------------------------|----------------------------------|----------------------------|-------------|--------------|-------------|--------------------|---------------------------|---------|--------------------|----|
| Pos.<br>Type*   | CLASS TITLES | SCHED.<br>AND<br>RANGE        | FTE<br>Monthly<br>Salary<br>Cost | NUMBER OF<br>FTE POSITIONS |             | SALARY COSTS |             | POSITION<br>NUMBER | Position<br>Term.<br>Date | REMARKS |                    |    |
|   |              |                               |                                  | 1st<br>Year                | 2nd<br>Year | 1st<br>Year  | 2nd<br>Year |                    |                           |         |                    |    |
| 01  | C            | DOT PROGRAM CHIEF             | 81-02                            | 6,092                      | 1.00        | 1.00         | 73,100      | 73,100             | 002874                    |         | Nichols, Kathleen  | 01 |
| 02  | C            | DOT SUPERVISOR                | 81-03                            | 4,858                      | 1.00        | 1.00         | 58,298      | 58,298             | 302931                    |         | Ishmael, Gary P    | 02 |
| 03  | C            | MOTOR VEHICLE PROGRAM SPEC-SE | 07-04                            | 3,895                      | 1.00        | 1.00         | 46,738      | 46,738             | 003237                    |         | Lalor, Edward R    | 03 |
| 04  | C            | TRANSPR CUST REP-ADVANCED     | 02-13                            | 3,124                      | 1.00        | 1.00         | 37,490      | 37,490             | 010841                    |         | Prentice, Cindy S  | 04 |
| 05  | C            | TRANSPR CUST REP-ADVANCED     | 02-13                            | 3,308                      | 1.00        | 1.00         | 39,701      | 39,701             | 017503                    |         | Krone, Kendra M    | 05 |
| 06  | C            | TRANSPR CUST REP-ADVANCED     | 02-13                            | 3,429                      | 1.00        | 1.00         | 41,153      | 41,153             | 022625                    |         | Meier, Janice J    | 06 |
| 07  | C            | TRANSPR CUST REP-ADVANCED     | 02-13                            | 3,640                      | 1.00        | 1.00         | 43,684      | 43,684             | 306123                    |         | Sittler, Cindy S   | 07 |
| 08  | C            | TRANSPR CUST REP-ADVANCED     | 02-13                            | 3,124                      | 1.00        | 1.00         | 37,490      | 37,490             | 321341                    |         | Schwandt, Kathleen | 08 |
| 09  | C            | TRANSPR CUST REP-SENIOR       | 02-11                            | 2,671                      | 1.00        | 1.00         | 32,055      | 32,055             | 306122                    |         | Hobbs, Roger R     | 09 |
| 10  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 10 |
| 11  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 11 |
| 12  |              | SALARIES                      |                                  |                            | 9.00        | 9.00         | 409,708     | 409,708            |                           |         |                    | 12 |
| 13  |              | FRINGE (45.31%)               |                                  |                            |             |              | 185,639     | 185,639            |                           |         |                    | 13 |
| 14  |              | TOTAL SALARIES & FRINGE       |                                  |                            |             |              | 595,347     | 595,347            |                           |         |                    | 14 |
| 15  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 15 |
| 16  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 16 |
| 17  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 17 |
| 18  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 18 |
| 19  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 19 |
| 20  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 20 |
| 21  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 21 |
| 22  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 22 |
| 23  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 23 |
| 24  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 24 |
| 25  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 25 |
| 26  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 26 |
| 27  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 27 |
| 28  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 28 |
| 29  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 29 |
| 30  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 30 |
| 31  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 31 |
| 32  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 32 |
| 33  |              |                               |                                  |                            |             |              |             |                    |                           |         |                    | 33 |

**DIN 6030: TRAFFIC COUNTING POSITIONS**

|                   |                                |                |                    |                     |             |
|-------------------|--------------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 09                    | SUBPROGRAM: 01 | APPROPRIATION: 961 | DECISION ITEM: 6030 |             |
| EXPENDITURE ITEMS |                                |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 01                | PERMANENT POSITION SALARIES    |                | 2,300.00           | 2,300.00            | 4,600.00    |
| 05                | FRINGE BENEFITS                |                | 1,000.00           | 1,000.00            | 2,000.00    |
| 06                | SUPPLIES & SERVICES            |                | 141,100.00-        | 141,100.00-         | 282,200.00- |
| 16                | DELIVERY CHARGES/CREDITS       |                | 137,800.00         | 137,800.00          | 275,600.00  |
| 17                | TOTAL COST                     |                | .00                | .00                 | .00         |
| 19                | CLASSIFIED POSITIONS AUTHORIZE |                | .00                | .00                 |             |

**See Decision Item 6030-Appropriation 461 for an explanation.**

| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT                              | CODES  | TITLES   | DECISION ITEM<br><br>NUMERIC APPN. | CODES                      | TITLES   | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br><b>B-10</b><br>PAGE <u>1</u> |             |                    |                           |                     |
|---|--|--|------------------------------------|----------------------------|--|---|-------------|--------------------|---------------------------|---------------------|
|   | 395  | Transportation   |                                    | 6030                       | Traffic Counting Positions   |   |             |                    |                           |                     |
|   | 09   | General Provisions                                     |                                    |                            |  |   |             |                    |                           |                     |
|   | 01   | Highways, Bridges & Local<br>Transportation Assistance |                                    | 61                         | Highways, bridges and local transp.<br>assistance clearing account |   |             |                    |                           |                     |
| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal<br>P-Project L-LTE |  |  |                                    |                            |  |   |             |                    |                           |                     |
| Pos.<br>Type*   | CLASS TITLES   | SCHED.<br>AND<br>RANGE                                 | FTE<br>Monthly<br>Salary<br>Cost   | NUMBER OF<br>FTE POSITIONS |  | SALARY COSTS  |             | POSITION<br>NUMBER | Position<br>Term.<br>Date | REMARKS             |
|   |  |  |                                    | 1st<br>Year                | 2nd<br>Year  | 1st<br>Year   | 2nd<br>Year |                    |                           |                     |
| 01  | <b>REALLOCATE from Apprn 461 for Aircraft Registration</b> |  |                                    |                            |  |   |             |                    |                           |                     |
| 02  | C  | PROGRAM AND POLICY ANALYST                             | 07-04                              | 4,023                      | 0.40   | 0.40  | 19,309      | 19,309             | 021617                    | Moe, Joni J         |
| 03  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 04  |  | SALARIES   |                                    |                            | 0.40   | 0.40  | 19,309      | 19,309             |                           |                     |
| 05  |  | FRINGE (45.31%)  |                                    |                            |  |   | 8,749       | 8,749              |                           |                     |
| 06  |  | TOTAL SALARIES & FRINGE                                |                                    |                            |  |   | 28,058      | 28,058             |                           |                     |
| 07  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 08  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 09  | <b>REALLOCATE from Apprn 563 for Aircraft Registration</b> |  |                                    |                            |  |   |             |                    |                           |                     |
| 10  | C  | PROGRAM AND POLICY ANALYST                             | 07-04                              | 4,023                      | 0.60   | 0.60  | 28,964      | 28,964             | 337173                    | Moe, Joni J         |
| 11  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 12  |  | SALARIES   |                                    |                            | 0.60   | 0.60  | 28,964      | 28,964             |                           |                     |
| 13  |  | FRINGE (45.31%)  |                                    |                            |  |   | 13,123      | 13,123             |                           |                     |
| 14  |  | TOTAL SALARIES & FRINGE                                |                                    |                            |  |   | 42,087      | 42,087             |                           |                     |
| 15  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 16  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 17  | <b>REALLOCATE from DTSD to DTIM for Traffic Counting</b>   |  |                                    |                            |  |   |             |                    |                           |                     |
| 18  | C  | ENG TECHNICIAN-TRANSPR-ADV 2                           | 06-15                              | 3,836                      | (1.00)   | (1.00)  | (46,032)    | (46,032)           | 022705                    | Hollenbeck, Shawn E |
| 19  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 20  |  | SALARIES   |                                    |                            | (1.00)   | (1.00)  | (46,032)    | (46,032)           |                           |                     |
| 21  |  | FRINGE (45.31%)  |                                    |                            |  |   | (20,857)    | (20,857)           |                           |                     |
| 22  |  | TOTAL SALARIES & FRINGE                                |                                    |                            |  |   | (66,890)    | (66,890)           |                           |                     |
| 23  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 24  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 25  | <b>Total REALLOCATIONS for Apprn 961</b>                   |  |                                    |                            |  |   |             |                    |                           |                     |
| 26  |  | SALARIES   |                                    |                            | 0.00   | 0.00  | 2,240       | 2,240              |                           |                     |
| 27  |  | FRINGE (45.31%)  |                                    |                            |  |   | 1,015       | 1,015              |                           |                     |
| 28  |  | TOTAL SALARIES & FRINGE                                |                                    |                            |  |   | 3,255       | 3,255              |                           |                     |
| 29  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 30  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 31  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 32  |  |  |                                    |                            |  |   |             |                    |                           |                     |
| 33  |  |  |                                    |                            |  |   |             |                    |                           |                     |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 09 GENERAL PROVISIONS  
SP 01 HWYS, BRIDG & LOC TR ASST CLRG  
NA 981 HWYS, BRIDGES & LOC TRANSP ASST CLRG ACCT, FED POS  
ALPH QJ HWYS, BRIDGES & LOC TRANSP ASST CLRG ACCT, FED POS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                                | CHANGE AUTHOR 1A |                |                 |
|-------------------|--------------------------------|------------------|----------------|-----------------|
| EXPENDITURE ITEMS |                                | 1ST YEAR COST    | 2ND YEAR COST  | TOTAL           |
| 01                | PERMANENT POSITION SALARIES    | 45,652,100.00    | 45,652,100.00  | 91,304,200.00   |
| 03                | PROJECT POSITION SALARIES      | 85,700.00        | 85,700.00      | 171,400.00      |
| 05                | FRINGE BENEFITS                | 20,169,400.00    | 20,169,400.00  | 40,338,800.00   |
| 16                | DELIVERY CHARGES/CREDITS       | 65,907,200.00-   | 65,907,200.00- | 131,814,400.00- |
| 17                | TOTAL COST                     | .00              | .00            | .00             |
| 18                | PROJECT POSITIONS AUTHORIZED   | 3.00             | 3.00           |                 |
| 19                | CLASSIFIED POSITIONS AUTHORIZE | 730.27           | 730.27         |                 |

**DIN 3001: TURNOVER REDUCTION**

|                   |                          |                |                    |                     |               |
|-------------------|--------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 09              | SUBPROGRAM: 01 | APPROPRIATION: 981 | DECISION ITEM: 3001 |               |
| EXPENDITURE ITEMS |                          |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 02                | TURNOVER                 |                | 1,061,400.00-      | 1,061,400.00-       | 2,122,800.00- |
| 16                | DELIVERY CHARGES/CREDITS |                | 1,061,400.00       | 1,061,400.00        | 2,122,800.00  |
| 17                | TOTAL COST               |                | .00                | .00                 | .00           |

**DIN 3002: REMOVAL OF NONCONTINUING ELEMENTS FROM THE BASE**

| DEPARTMENT: 395   |                              | PROGRAM: 09   |  | SUBPROGRAM: 01 |  | APPROPRIATION: 981 |  | DECISION ITEM: 3002 |  |
|-------------------|------------------------------|---------------|--|----------------|--|--------------------|--|---------------------|--|
| EXPENDITURE ITEMS |                              | 1ST YEAR COST |  | 2ND YEAR COST  |  | TOTAL              |  |                     |  |
| 03                | PROJECT POSITION SALARIES    | 41,800.00-    |  | 103,500.00-    |  | 145,300.00-        |  |                     |  |
| 05                | FRINGE BENEFITS              | 19,000.00-    |  | 46,900.00-     |  | 65,900.00-         |  |                     |  |
| 16                | DELIVERY CHARGES/CREDITS     | 60,800.00     |  | 150,400.00     |  | 211,200.00         |  |                     |  |
| 17                | TOTAL COST                   | .00           |  | .00            |  | .00                |  |                     |  |
| 18                | PROJECT POSITIONS AUTHORIZED | 1.00-         |  | 3.00-          |  |                    |  |                     |  |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

| DEPARTMENT: 395    PROGRAM: 09    SUBPROGRAM: 01    APPROPRIATION: 981    DECISION ITEM: 3003 |               |               |               |  |
|---|---------------|---------------|---------------|--|
| EXPENDITURE ITEMS   | 1ST YEAR COST | 2ND YEAR COST | TOTAL         |  |
| 01 PERMANENT POSITION SALARIES  | 276,600.00    | 276,600.00    | 553,200.00    |  |
| 03 PROJECT POSITION SALARIES  | 124,400.00    | 124,400.00    | 248,800.00    |  |
| 05 FRINGE BENEFITS  | 748,000.00    | 748,000.00    | 1,496,000.00  |  |
| 16 DELIVERY CHARGES/CREDITS   | 1,149,000.00- | 1,149,000.00- | 2,298,000.00- |  |
| 17 TOTAL COST   | .00           | .00           | .00           |  |
| 18 PROJECT POSITIONS AUTHORIZED   | .00           | .00           |               |  |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |               |
|-------------------|-----------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 981 | DECISION ITEM: 3007 |               |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 01                | PERMANENT POSITION SALARIES |                | 637,900.00         | 637,900.00          | 1,275,800.00  |
| 05                | FRINGE BENEFITS             |                | 99,700.00          | 99,700.00           | 199,400.00    |
| 16                | DELIVERY CHARGES/CREDITS    |                | 737,600.00-        | 737,600.00-         | 1,475,200.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00           |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 09                 | SUBPROGRAM: 01 | APPROPRIATION: 981 | DECISION ITEM: 3008 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01                | PERMANENT POSITION SALARIES |                | 7,600.00           | 7,600.00            | 15,200.00  |
| 05                | FRINGE BENEFITS             |                | 1,200.00           | 1,200.00            | 2,400.00   |
| 16                | DELIVERY CHARGES/CREDITS    |                | 8,800.00-          | 8,800.00-           | 17,600.00- |
| 17                | TOTAL COST                  |                | .00                | .00                 | .00        |

**DIN 6030: TRAFFIC COUNTING POSITIONS**

|                   |                                |                |                    |                     |             |
|-------------------|--------------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 09                    | SUBPROGRAM: 01 | APPROPRIATION: 981 | DECISION ITEM: 6030 |             |
| EXPENDITURE ITEMS |                                |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 01                | PERMANENT POSITION SALARIES    |                | 183,000.00-        | 183,000.00-         | 366,000.00- |
| 05                | FRINGE BENEFITS                |                | 83,000.00-         | 83,000.00-          | 166,000.00- |
| 16                | DELIVERY CHARGES/CREDITS       |                | 266,000.00         | 266,000.00          | 532,000.00  |
| 17                | TOTAL COST                     |                | .00                | .00                 | .00         |
| 19                | CLASSIFIED POSITIONS AUTHORIZE |                | 4.00-              | 4.00-               |             |

**See Decision Item 6030-Appropriation 461 for an explanation.**

| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT                              | CODES  | TITLES   | DECISION ITEM<br><br>NUMERIC APPN. | CODES                      | TITLES   | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br><b>B-10</b><br>PAGE <u>1</u> |             |                    |                           |                      |
|---|--|--|------------------------------------|----------------------------|--|---|-------------|--------------------|---------------------------|----------------------|
|   | 395  | Transportation   |                                    | 6030                       | Traffic Counting Positions   |   |             |                    |                           |                      |
|   | 09   | General Provisions                                     |                                    |                            |  |   |             |                    |                           |                      |
|   | 01   | Highways, Bridges & Local<br>Transportation Assistance |                                    | 81                         | Hwys, bridges and local transpr.<br>assistance clearing account,<br>federally funded positions |   |             |                    |                           |                      |
| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal<br>P-Project L-LTE |  |  |                                    |                            |  |   |             |                    |                           |                      |
| Pos.<br>Type*   | CLASS TITLES   | SCHED.<br>AND<br>RANGE                                 | FTE<br>Monthly<br>Salary<br>Cost   | NUMBER OF<br>FTE POSITIONS |  | SALARY COSTS  |             | POSITION<br>NUMBER | Position<br>Term.<br>Date | REMARKS              |
|   |  |  |                                    | 1st<br>Year                | 2nd<br>Year  | 1st<br>Year   | 2nd<br>Year |                    |                           |                      |
| 01  | <b>REALLOCATE from DTSD to DTIM for Traffic Counting</b> |  |                                    |                            |  |   |             |                    |                           |                      |
| 02  | C PROGRAM AND POLICY ANALYST-ADV                         | 07-03  | 4,614                              | (1.00)                     | (1.00)   | (55,368)  | (55,368)    | 320108             |                           | Goodwyn, Thomas A    |
| 03  | C REAL ESTATE SPECIALIST                                 | 07-04  | 2,989                              | (1.00)                     | (1.00)   | (35,865)  | (35,865)    | 320128             |                           | Vacant (Ruszkiewicz) |
| 04  | C ENG TECHNICIAN-TRANSPR-ADV                             | 06-14  | 3,758                              | (1.00)                     | (1.00)   | (45,096)  | (45,096)    | 320226             |                           | Rogers, Richard J    |
| 05  | C URBAN AND REGIONAL PLANNER-ADV                         | 07-03  | 3,895                              | (1.00)                     | (1.00)   | (46,738)  | (46,738)    | 323165             |                           | Vacant (Wydeven)     |
| 06  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 07  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 08  |  |  |                                    | (4.00)                     | (4.00)   | (183,067)   | (183,067)   |                    |                           |                      |
| 09  |  |  |                                    |                            |  | (82,948)  | (82,948)    |                    |                           |                      |
| 10  |  |  |                                    |                            |  | (266,015)   | (266,015)   |                    |                           |                      |
| 11  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 12  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 13  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 14  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 15  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 16  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 17  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 18  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 19  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 20  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 21  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 22  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 23  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 24  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 25  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 26  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 27  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 28  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 29  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 30  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 31  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 32  |  |  |                                    |                            |  |   |             |                    |                           |                      |
| 33  |  |  |                                    |                            |  |   |             |                    |                           |                      |

| <b>BUDGET NARRATIVE FORM</b>                       |            |  |               |
|--|------------|--|---------------|
|  | Codes      | Titles                                   | Page          |
| AGENCY NARRATIVE                                   | <b>395</b> | <b>Department of Transportation</b>      | <b>1 of 1</b> |
| PROGRAM NARRATIVE                                  | <b>04</b>  | <b>General Transportation Operations</b> |               |
| SUB-PROGRAM NARRATIVE                              |            |  |               |
| <b>-NOT FOR USE WITH DECISION ITEM NARRATIVES-</b> |            |  |               |

This program includes the resources necessary to administer the Department's operations. The objectives of the program are to:

1. Provide overall policy direction, planning, and financial services for the Department.
2. Provide business management and technical support functions to the Department.
3. Provide funding to support the functions of the state's Metropolitan Planning Organizations and Regional Planning Commissions.

This program includes all administrative costs for the Division of Business Management, Division of Transportation Investment Management, and the Executive Offices which includes policy, budget, legal, and public information services.

## PROGRAM 4 PERFORMANCE MEASURE

PROGRAM 4: General Transportation Operations  
 GOAL: Efficient administration of Wisconsin's state transportation programs  
 ACTIVITY: Loss prevention and control  
 OBJECTIVE: Reduce the rate of on-the-job injuries in the Department  
 OUTCOME MEASURE: Injury incident rate per 100 employees

DESCRIPTION OF ACTIVITY: The Risk, Safety, and Fleet Section in the Division of Business Management leads and directs the department-wide safety program and provides compliance driven and loss prevention training to employees. Compliance driven training includes training for confined space entry, fall protection, and personal protective equipment usage. Loss prevention training includes back injury prevention, slips/trips/falls, and ergonomics. The section also conducts audits, inspections, and problem solving on issues: lifting activities, ergonomics, indoor air quality, compliance-related issues and, employee complaints. This section identifies new strategies for improving the safety and health of employees and customers.

The primary goal of the Risk and Safety Unit is to:

- Create and promote a safety culture within the Department by implementing and monitoring the various safety initiatives currently in place within the Department's Safety program.
- Continually strive to improve and enhance the program in all areas.
- Gain full compliance with Commerce/OSHA regulations within the Department.
- Gain department-wide active involvement of employees and their safety committees, as well as the active and visible support of management at all levels.
- Continue to identify areas of high risk throughout the Department workforce and strive to reduce, control or eliminate safety concerns by providing employees with timely and adequate training and support in the areas of proactive loss prevention and control.
- Reduce employee injury rates and minimize the pain and suffering caused by on-the-job injuries.

Department staff are involved in a wide variety of uniquely different operations, from State Patrol troopers and inspectors, road construction workers, and driver license examiners, to office workers. Training and services offered are comprehensive and tailored to meet the unique needs of the Department, thereby reducing the worker injury incidents rates.

The chart represents injury incident rates per 100 workers based upon the Department's total workforce, including all permanent, limited-term, and project employees. Also included in the chart are state averages calculated using the same methodology:

| Injury Incidence Rate per 100 Workers |                                  |               |
|---------------------------------------|----------------------------------|---------------|
| FY                                    | The Department of Transportation | State Average |
| 2004                                  | 4.87                             | 5.02          |
| 2005                                  | 4.30                             | 4.88          |
| 2006                                  | 3.67                             | 4.70          |
| 2007                                  | 3.87                             | 5.10          |
| 2008                                  | 5.29                             | 5.40          |
| 2009                                  | 5.59                             | 5.31          |
| 2010                                  | 5.09                             | 4.78          |
| 2011                                  | 4.53                             | 4.43          |
| 2012                                  | 3.80                             | 4.23          |
| 2013                                  | 4.37                             | 4.00          |

Statistics are also calculated on lost time and hazardous duty incidents per 100 workers. These figures describe the rate per 100 workers missing work because of employee injuries. Hazardous duty incidents are restricted to workers in the Division of State Patrol, driver license examiners in the Division of Motor Vehicles, and certain engineers on highway projects. Also included in the chart are state averages calculated using the same methodology:

| Lost Time and Hazardous Duty Incidence Rate<br>per 100 Workers |                                     |               |
|--|-------------------------------------|---------------|
| FY   | The Department<br>of Transportation | State Average |
|  |                                     |               |
| 2004   | 1.38                                | 1.16          |
| 2005   | 0.72                                | 1.06          |
| 2006   | 0.61                                | 0.99          |
| 2007   | 0.77                                | 1.04          |
| 2008   | 1.75                                | 1.15          |
| 2009   | 1.57                                | 1.04          |
| 2010   | 0.96                                | 1.01          |
| 2011   | 1.23                                | 1.01          |
| 2012   | 0.90                                | 0.90          |
| 2013   | 1.04                                | 0.86          |

**ANNUAL BASE RESOURCE COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:**  
**RELATED DECISION ITEMS:** For FY 15, budget support for the health and safety activities in the Risk, Safety, and Fleet Section is \$224 thousand SEG. There are 2.50 full time equivalent (FTE) positions assigned to perform these activities.

**RELATED DECISION ITEM(S):**

**PLANNED PROGRESS TOWARD OBJECTIVE:** The Risk, Safety, and Fleet Section will continue to provide services to the Department and focus efforts on the specific causes of worker injuries and illnesses. To further enhance the program, the goal is to work with executive and senior management to obtain higher level commitment to and involvement in the program, thus greater overall loss prevention rather than claim management.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** Safety-related physical improvements, safety education, use of personal protective equipment and a positive attitude of employees and supervisors toward safety contribute to a reduction of worker injuries and illnesses. Executive and senior management commitment and involvement could significantly contribute to greater success in reducing worker injury and illnesses.

**USE OF OUTCOME MEASURES IN PROGRAMMING:** Employee injury data will continue to be collected. The data is analyzed based on the injury type and the location of injury. The limited funds and staff available are directed at the prevention of the most frequent injuries and to worksites that are determined to be the most likely to produce injuries.

## **DIN 5401: TRANSIT SAFETY OVERSIGHT FUNDING**

|                   |                     |                |                    |                     |  |            |
|-------------------|---------------------|----------------|--------------------|---------------------|--|------------|
| DEPARTMENT: 395   | PROGRAM: 04         | SUBPROGRAM: 01 | APPROPRIATION: 460 | DECISION ITEM: 5401 |  |            |
| EXPENDITURE ITEMS |                     |                | 1ST YEAR COST      | 2ND YEAR COST       |  | TOTAL      |
| 06                | SUPPLIES & SERVICES |                | 71,600.00          | 72,700.00           |  | 144,300.00 |
| 17                | TOTAL COST          |                | 71,600.00          | 72,700.00           |  | 144,300.00 |

**SUMMARY:** The Department requests the creation of a new Transit Safety Oversight program and new continuing SEG and FED appropriations for the program. The Department also requests \$71,600 SEG in FY 16 and \$72,700 SEG in FY 17 in the new SEG appropriation and \$286,600 FED in FY 16 and \$290,900 FED in FY 17 in the new FED appropriation.

**DISCUSSION** The current federal surface transportation authorization, the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21), requires the establishment of a State Safety Oversight Office (SSOO) in every state that has a fixed guideway public transportation system(s) in operation and/or in the engineering or construction stage, which is not subject to regulation by the Federal Railroad Administration. The activities required by the state include the establishment of an SSOA with the authority for enforcement, investigation, and audit of system safety plans. MAP-21 further requires that the SSOA must be adequately resourced and that staff have sufficient training and certification through the Federal Transit Administration.

In Wisconsin, there are two systems, one active and one in the engineering stage, which will require the establishment of the SSOA. Failure by the state to establish an SSOA with all of the mandated authorities will result in no federal transit funding provided to the state or any public transit agency in the state. Currently, approximately \$78 million in federal transit funding is allocated to Wisconsin. Of that amount, approximately \$59.6 million is provided for operating aids to Wisconsin public transit systems, representing about 19 percent of statewide transit system operating costs. Federal transit funding is also provided to Wisconsin for transit capital and facilities, intercity bus service, and elderly and disabled transportation capital and operating costs.

In addition to the SSOA requirements, MAP-21 authorizes federal transit funding to assist states in meeting the rigorous requirements of the law. The federal funding requires a 20 percent non-federal match. The funds become available to the state upon acceptance by the Federal Transit Administration of a Certification Work Plan that the state will submit. The federal budget authority requested above represents the estimates of what Wisconsin will receive. The SEG funding requested represents the 20 percent non-federal match to that funding.

**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Transit Safety Oversight Program

**DIN:** 5401

**ISSUE TITLE:** Transit Safety Oversight Funding

**REQUEST:**

The Department requests the creation of a new Transit Safety Oversight Program and new continuing SEG and FED appropriations for Transit Safety Oversight. The Department also requests \$71,600 SEG in FY 16 and \$72,700 SEG in FY 17 in the new SEG appropriation and \$286,600 FED in FY 16 and \$290,900 FED in FY 17 in the new FED appropriation.

**SUMMARY:**

The current federal surface transportation authorization, Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21), requires the establishment of a State Safety Oversight Agency (SSOA) in every state that has a fixed guideway public transportation system in operation and/or in the engineering or construction stage, which is not subject to regulation by the Federal Railroad Administration. Requirements include the establishment of an SSOA with the authority to enforce, investigate, and audit system safety plans. MAP-21 further requires that the SSOA must be adequately resourced and that staff have sufficient training and certification through the Federal Transit Administration.

In Wisconsin, there are two systems, one operational and one in the engineering stage, which will require the establishment of the SSOA. The Kenosha Area Transit Streetcar System is a 1.9 mile single loop, electric streetcar system which began serving downtown Kenosha on June 17, 2000. The Milwaukee Streetcar project, a two mile streetcar project with two potential extensions that would add an additional 1.5 miles, serving downtown Milwaukee is currently in the engineering stage and, therefore, subject to state safety oversight under MAP-21 provisions.

In addition to the SSOA requirements, MAP-21 authorizes federal transit funding to assist states in meeting the rigorous requirements of the law. A 20 percent non-federal match is required. The funds become available to the state upon acceptance by the Federal Transit Administration of a Certification Work Plan that the state will submit. The federal budget authority requested above represents the estimates of what Wisconsin will receive. The SEG funding requested represents the required 20 percent non-federal match to that funding.

**JUSTIFICATION:**

MAP-21 requires the establishment of a SSOA in any state with a fixed guideway transit system(s) in operation, engineering or construction. The SSOA must have oversight, enforcement, investigation, and audit authority over the safety plans of the individual systems. Wisconsin has two such systems, one in operation and one in the engineering stage. Failure by the state to establish an SSOA with all of the mandated authorities will result in no federal transit funding provided to the state or any public transit agency in the state. Currently, approximately \$78 million in federal transit funding is allocated to Wisconsin. Of that amount, approximately \$59.6 million is provided for operating aids to Wisconsin public transit systems, representing about 19 percent of statewide transit system operating costs. Federal transit funding is also provided to Wisconsin for transit capital and facilities, intercity bus service, and elderly and disabled transportation capital and operating costs.

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5401

**TOPIC:** Transit Safety Oversight Funding

**DESCRIPTION OF CHANGE:**

The Department requests the following statutory modifications:

- Create a Transit Safety Oversight Program in Ch. 85, Wisconsin Statutes, providing the Department with the oversight, enforcement, investigation, and audit authority over all safety aspects of fixed guideway transit systems in the state as required by Section 20021(a) of the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (PL 112-141) and 49 USC 5329;
- Create a continuing SEG appropriation in section 20.395(4), Wis. Stats., designating the amounts in the schedule for carrying out the Transit Safety Oversight Program; and
- Create a continuing FED appropriation in s. 20.395(4), Wis. Stats., for all funding received from the federal government for purposes of state safety oversight of transit systems.

**JUSTIFICATION:**

The current federal surface transportation authorization, the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21), requires the establishment of a State Safety Oversight Office (SSOA) in every state that has a fixed guideway public transportation system(s) in operation and/or in the engineering or construction stage, which is not subject to regulation by the Federal Railroad Administration. The activities required by the state include the establishment of an SSOA with the authority for enforcement, investigation, and audit of system safety plans. MAP-21 further requires that the SSOA must be adequately resourced and that staff have sufficient training and certification through the Federal Transit Administration.

In Wisconsin, there are two systems, one active and one in the engineering stage, which will require the establishment of the SSOA. The Kenosha Area Transit Streetcar System is a 1.9 mile single loop, electric streetcar system which began serving downtown Kenosha on June 17, 2000. The Milwaukee Streetcar Project, a 2 mile streetcar project with two potential extensions that would add an additional 1.5 miles, serving downtown Milwaukee is currently in the engineering stage and, therefore, subject to state safety oversight.

Failure by the state to establish an SSOA with all of the mandated authorities will result in no federal transit funding provided to the state or any public transit agency in the state. Currently, approximately \$78 million in federal transit funding is allocated to Wisconsin. Of that amount, approximately \$59.6 million is provided for operating aids to Wisconsin public transit systems, representing about 19 percent of statewide transit system operating costs. Federal transit funding is also provided to Wisconsin for transit capital and facilities, intercity bus service, and elderly and disabled transportation capital and operating costs. The requested statutory modifications would allow the state to meet the federal mandate and continue to receive federal transit funding.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
 PROG 04 GENERAL TRANSP. OPERATIONS  
 SP 01 DEPT'L MANAGEMENT & OPERATIONS  
 NA 461 DEPT'L MANAGEMENT & OPERATIONS, STATE FUNDS  
 ALPH AQ DEPT'L MANAGEMENT & OPERATIONS, STATE FUNDS  
 DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                                | CHANGE AUTHOR 1A |               |                |
|-------------------|--------------------------------|------------------|---------------|----------------|
| EXPENDITURE ITEMS |                                | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 01                | PERMANENT POSITION SALARIES    | 26,760,000.00    | 26,760,000.00 | 53,520,000.00  |
| 04                | LTE/MISC. SALARIES             | 247,900.00       | 247,900.00    | 495,800.00     |
| 05                | FRINGE BENEFITS                | 11,879,500.00    | 11,879,500.00 | 23,759,000.00  |
| 06                | SUPPLIES & SERVICES            | 31,294,400.00    | 31,294,400.00 | 62,588,800.00  |
| 07                | PERMANENT PROPERTY             | 270,800.00       | 270,800.00    | 541,600.00     |
| 11                | ONE-TIME FINANCING             | 407,100.00       | 407,100.00    | 814,200.00     |
| 13                | MC IMPR/R-E/MAINT/ENG SERV     | 33,000.00        | 33,000.00     | 66,000.00      |
| 14                | MISCELLANEOUS TRANSFERS        | 216,700.00       | 216,700.00    | 433,400.00     |
| 15                | MAJOR COSTS CHARGES/CREDITS    | 33,000.00-       | 33,000.00-    | 66,000.00-     |
| 16                | DELIVERY CHARGES/CREDITS       | 6,706,100.00-    | 6,706,100.00- | 13,412,200.00- |
| 17                | TOTAL COST                     | 64,370,300.00    | 64,370,300.00 | 128,740,600.00 |
| 19                | CLASSIFIED POSITIONS AUTHORIZE | 405.89           | 405.89        |                |
| 20                | UNCLASSIFIED POS. AUTHORIZED   | 9.00             | 9.00          |                |

**DIN 3001: TURNOVER REDUCTION**

|                   |             |                |                    |                     |               |
|-------------------|-------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 04 | SUBPROGRAM: 01 | APPROPRIATION: 461 | DECISION ITEM: 3001 |               |
| EXPENDITURE ITEMS |             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 02                | TURNOVER    |                | 802,800.00-        | 802,800.00-         | 1,605,600.00- |
| 17                | TOTAL COST  |                | 802,800.00-        | 802,800.00-         | 1,605,600.00- |

**DIN 3002: REMOVAL OF NONCONTINUING ELEMENTS FROM THE BASE**

|                 |                    |                |                    |                     |             |
|-----------------|--------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395 | PROGRAM: 04        | SUBPROGRAM: 01 | APPROPRIATION: 461 | DECISION ITEM: 3002 |             |
|                 | EXPENDITURE ITEMS  |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 11              | ONE-TIME FINANCING |                | 407,100.00-        | 407,100.00-         | 814,200.00- |
| 17              | TOTAL COST         |                | 407,100.00-        | 407,100.00-         | 814,200.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

| DEPARTMENT: 395    PROGRAM: 04    SUBPROGRAM: 01    APPROPRIATION: 461    DECISION ITEM: 3003 |               |               |              |  |
|---|---------------|---------------|--------------|--|
| EXPENDITURE ITEMS   | 1ST YEAR COST | 2ND YEAR COST | TOTAL        |  |
| 01 PERMANENT POSITION SALARIES  | 1,155,100.00  | 1,155,100.00  | 2,310,200.00 |  |
| 05 FRINGE BENEFITS  | 795,000.00    | 795,000.00    | 1,590,000.00 |  |
| 17 TOTAL COST   | 1,950,100.00  | 1,950,100.00  | 3,900,200.00 |  |
| 19 CLASSIFIED POSITIONS AUTHORIZE   | .00           | .00           |              |  |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 04                 | SUBPROGRAM: 01 | APPROPRIATION: 461 | DECISION ITEM: 3007 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01                | PERMANENT POSITION SALARIES |                | 187,600.00         | 187,600.00          | 375,200.00 |
| 05                | FRINGE BENEFITS             |                | 29,500.00          | 29,500.00           | 59,000.00  |
| 17                | TOTAL COST                  |                | 217,100.00         | 217,100.00          | 434,200.00 |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                   |                             |                |                    |                     |          |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------|
| DEPARTMENT: 395   | PROGRAM: 04                 | SUBPROGRAM: 01 | APPROPRIATION: 461 | DECISION ITEM: 3008 |          |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL    |
| 01                | PERMANENT POSITION SALARIES |                | 2,600.00           | 2,600.00            | 5,200.00 |
| 05                | FRINGE BENEFITS             |                | 500.00             | 500.00              | 1,000.00 |
| 17                | TOTAL COST                  |                | 3,100.00           | 3,100.00            | 6,200.00 |

**DIN 3010: FULL FUNDING OF LEASE AND DIRECTED MOVES COSTS**

|                 |                     |                |                    |                     |             |
|-----------------|---------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395 | PROGRAM: 04         | SUBPROGRAM: 01 | APPROPRIATION: 461 | DECISION ITEM: 3010 |             |
|                 | EXPENDITURE ITEMS   |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 06              | SUPPLIES & SERVICES |                | 226,600.00-        | 40,900.00           | 185,700.00- |
| 17              | TOTAL COST          |                | 226,600.00-        | 40,900.00           | 185,700.00- |

**DIN 5202: LOCAL TRANSPORTATION FACILITIES IMPROVEMENT PROGRAM**

|                 |                     |                |                    |                     |              |
|-----------------|---------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395 | PROGRAM: 04         | SUBPROGRAM: 01 | APPROPRIATION: 461 | DECISION ITEM: 5202 |              |
|                 | EXPENDITURE ITEMS   |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 06              | SUPPLIES & SERVICES |                | 690,000.00         | 310,000.00          | 1,000,000.00 |
| 17              | TOTAL COST          |                | 690,000.00         | 310,000.00          | 1,000,000.00 |

**See Decision Item 5202-Appropriation 961 for an explanation.**

**DIN 5402: CAPITAL BUILDING OPERATIONAL COSTS**

|                   |                     |                |                    |                     |  |
|-------------------|---------------------|----------------|--------------------|---------------------|--|
| DEPARTMENT: 395   | PROGRAM: 04         | SUBPROGRAM: 01 | APPROPRIATION: 461 | DECISION ITEM: 5402 |  |
| EXPENDITURE ITEMS |                     | 1ST YEAR COST  | 2ND YEAR COST      | TOTAL               |  |
| 06                | SUPPLIES & SERVICES | 600,000.00     | 600,000.00         | 1,200,000.00        |  |
| 17                | TOTAL COST          | 600,000.00     | 600,000.00         | 1,200,000.00        |  |

**SUMMARY:** The Department of Transportation requests \$600,000 SEG in FY 16 and \$600,000 SEG in FY 17 in Appropriation 461, s. 20.395(4)(aq), Wis. Stats., to fund increased operational costs related to new capital building projects that will occur during the 2015-17 biennium and beyond.

**DISCUSSION:** The Division of Business Management (DBM) is responsible for paying the cost of operational impacts of capital building projects during construction and once the facilities are completed. Operational impacts include costs for surge space rentals and moving expenses. Transportation Revenue Bond (TRB) proceeds fund the design and construction of the facilities, however, TRB proceeds cannot be used to fund these costs. Rather, they must be funded through DBM’s operating budget. Operating budget impacts generally start to occur two to four years after the capital building project is initially approved by the State Building Commission.

The Department estimates needing \$600,000 in FY 16 and \$600,000 in FY 17 for operational costs related to capital building projects that will start in the 2015-17 biennium. Planned projects set to begin in the 2015-17 biennium include surge space for the Madison Regional Building, the West Bend Division of Motor Vehicle Service Center renovation, Madison Technical Lab planning, and surge space required for a Superior office facility.

# Department of Transportation 2015-2017 Biennial Budget Request ISSUE PAPER

**PROGRAM:** Division of Business Management Facility Operation and Maintenance

**DIN:** 5402

**ISSUE TITLE:** Operational Costs Related to Capital Building Projects

**REQUEST:**

The Department of Transportation requests \$600,000 SEG in FY 16 and \$600,000 SEG in FY 17 in Appropriation 461, s. 20.395(4)(aq), Wis. Stats., to fund increased operational costs related to capital building projects.

**SUMMARY:**

The Division of Business Management (DBM) has responsibility for paying the cost of operational impacts of capital building projects during construction and once the facilities are completed. Operational impacts include costs for such items as surge space rentals and moving expenses. Transportation Revenue Bond (TRB) proceeds fund the design and construction of the facilities, however, TRB proceeds cannot be used to fund these costs. Rather, they must be funded through the division's operating budget. These operating budget impacts generally occur two to four years after the capital project is approved by the State Building Commission. There is no base budget funding for these operational costs.

**JUSTIFICATION:**

The Department receives funding for capital building projects through the State Building Program. These projects involve major renovations to existing buildings and construction of new facilities. These projects are financed with TRB proceeds and the Transportation Fund pays the related debt service.

Capital building projects can result in increased operating costs for DBM. These operational impacts are not eligible to be funded with bond proceeds and must be funded with existing operating budget authority. Operational impacts include the cost to rent surge space during renovation (in many cases, the building needs to be vacant during renovation), moving expenses, and other related expenses. Although the operational impacts for these projects can vary, some projects generate significant costs. For example, a renovation of the Division of Motor Vehicles (DMV) Green Bay Service Center, which was approved as part of the State Building Program in the 2011-13 biennium, resulted in costs totaling \$500,000 and include:

- rental costs for surge space;
- costs to provide necessary improvements to the rented space to meet requirements; and
- moving costs to and from the surge space.

Costs related to this project will be incurred in FY 15 and FY 16. The project start was delayed because a funding source for these operational costs could not be identified.

DBM minimizes these operating expense impacts as much as possible by phasing construction over more than one year and surging staff and supplies in place at the existing building. However, DBM staff estimate that costs associated with capital building projects will total \$600,000 in FY 16 and \$600,000 FY 17 for costs related to projects starting in the 2015-17 biennium, including renovations to the Southwest Regional Building and the West Bend DMV Service Center. These costs are detailed in Table 1 below.

**Table 1  
Operational Costs Related to Previous Capital Budgets**

| <b>Project</b>            | <b>Capital Budget</b> | <b>Estimated Operating Cost Need</b> | <b>FY</b> | <b>Activity</b> |
|---------------------------|-----------------------|--------------------------------------|-----------|-----------------|
| Madison Regional Building | 2009-11               | \$400,000                            | FY 16     | Surge Space     |
| West Bend DMV Renovation  | 2013-15               | \$200,000                            | FY 16     | Surge Space     |
| Madison Technical Lab     | 2009-11               | \$150,000                            | FY 17     | Master Planning |
| Superior Office Facility  | 2013-15               | \$450,000                            | FY 17     | Surge Space*    |

\*includes construction, rent and moving expenses

Operational costs related to capital projects will be an ongoing expense in future biennia. The Department used a comprehensive building management strategy to develop a six year facility investment plan that reflects an investment in the Department's priority assets by funding projects that support public safety, invest in infrastructure, and emphasize partnerships. The plan includes the following project recommendations from 2015 through 2021 as listed in Table 2 below:

**Table 2  
Potential Operational Costs from Six Year Facilities Plan**

| <u>Biennia</u> | <u>Location</u> | <u>Project Title</u>                       |
|----------------|-----------------|--|
| 2015-17        | Fond Du Lac     | DSP: Relocate and rebuild Fond Du Lac post |
|                | Madison/Truax   | DTSD: SW Region renovation                 |
|                | Madison/Truax   | DTSD: Truax lab replacement-phase 1        |
|                | Milwaukee       | DMV: Milwaukee NW rebuild                  |
|                | Statewide       | DMV: Building envelope repairs             |
| 2017-19        | Dane County     | DSP: Centralize operations                 |
|                | Tomah           | DSP: Relocate Tomah post                   |
|                | Ft. McCoy       | DSP: Academy conference center             |
|                | Madison/Truax   | DTSD: Truax lab replacement-phase 2        |
|                | Statewide       | DTSD: Renovate sign shop-phase 1           |
|                | Madison         | DMV Madison East rebuild                   |
| 2019-21        | Ft. McCoy       | DSP: Academy Dormitory                     |
|                | Dane County     | DSP: Centralize operations                 |
|                | Wausau          | DSP: Replace Wausau post                   |
|                | Statewide       | DTSD: Renovate sign shop-phase 2           |
|                | Elkhorn         | DMV Elkhorn rebuild                        |

This plan was developed based on facility-specific data and the future needs of the Department. Each capital project will have operational impacts for which the Department must account. Previously, there has been no standard process to identify operational impacts or ensure funding availability before submitting the capital project request. Very often, these costs are not identified until very late in the process with no ability to identify possible funding sources for these costs. This problem is made especially difficult because the costs do not occur until one or two years after bonding is approved.

DBM does not have sufficient base funding to absorb these increased operational impacts. The Department's new Facility Investment Plan process has been used to develop this budget request in order to adequately budget for anticipated increased operational impacts. Future capital projects are likely to be delayed without this funding.

The Department requests \$600,000 SEG in FY 16 and \$600,000 SEG in FY 17 to fund costs associated with increased operational costs associated with new capital projects.

## **DIN 5404: TOLLING FEASIBILITY STUDY**

|                   |                     |                |                    |                     |              |
|-------------------|---------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 04         | SUBPROGRAM: 01 | APPROPRIATION: 461 | DECISION ITEM: 5404 |              |
| EXPENDITURE ITEMS |                     |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 06                | SUPPLIES & SERVICES |                | 345,000.00         | 710,000.00          | 1,055,000.00 |
| 17                | TOTAL COST          |                | 345,000.00         | 710,000.00          | 1,055,000.00 |

**SUMMARY:** The Department requests \$345,000 SEG in FY16 and \$710,000 SEG in FY 17 in Appropriation 461, s. 20.395(4)(aq) Wis. Stats., to fund a statewide tolling feasibility study.

**DISCUSSION:** The Department proposes an 18-month study to explore the feasibility of tolling Wisconsin roadways and bridges. The purpose of the study would be to assist the Department in considering tolling in the context of other financial means for meeting the state's transportation needs. The study would identify possible toll opportunities, evaluate public perceptions toward tolling in Wisconsin, and identify implementation issues (including required statutory changes), and recommend a tolling governance structure.

In 2013, the Wisconsin Transportation Finance and Policy Commission identified a funding gap over the next ten years ranging between \$2 to \$17 billion between projected transportation revenues and the growing transportation needs of the state. To address future projected shortfalls in transportation funding, the Department proposes contracting for a study to estimate the feasibility of tolling, including the potential revenue that could be generated from several possible highway and bridge toll projects in the state.

The decision to implement toll financing in Wisconsin would represent a significant change in how the state funds the construction and maintenance of its transportation system. The only existing authority to toll is granted to counties, towns, villages or cities for the purposes of establishing tolls on bridges over interstate waters as provided in s.86.21, Wis. Stats. Currently no such tolling facilities exist. The Wisconsin Legislature would have to give authority to the Department, or another body, before a state-sponsored toll project could move forward. Federal law has traditionally prohibited tolling of the Interstate system, although two established and four federal pilot programs exist to toll Interstate highway segments under limited circumstances.

**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Department Operations  
**DIN:** 5404  
**ISSUE TITLE:** Wisconsin Tolling Feasibility Study

**REQUEST:**

The Department requests \$345,000 SEG in FY16 and \$710,000 SEG in FY 17 in Appropriation 461, s. 20.395(4)(aq) Wis. Stats., to fund a statewide tolling feasibility study.

**SUMMARY:**

The Department proposes an 18-month study to explore the feasibility of tolling Wisconsin roadways and bridges. The purpose of the study would be to assist the Department in considering tolling in the context of other financial means for meeting the state's transportation needs. The study would identify possible toll opportunities, evaluate public perceptions toward tolling in Wisconsin, and identify implementation issues (including required statutory changes), and recommend a tolling governance structure.

The decision to implement toll financing in Wisconsin would represent a significant change in how the state funds the construction and maintenance of its transportation system. The only existing authority to toll is granted to counties, towns, villages or cities for the purposes of establishing tolls on bridges over interstate waters as provided in s.86.21, Wis. Stats. Currently no such tolling facilities exist. The Wisconsin Legislature would have to give authority to the Department, or another body, before a state-sponsored toll project could move forward. Federal law has traditionally prohibited tolling of the Interstate system, although two established and four federal pilot programs exist to toll Interstate highway segments under limited circumstances.

**JUSTIFICATION:**

In 2013, the Wisconsin Transportation Finance and Policy Commission identified a funding gap over the next ten years ranging between \$2 to \$17 billion between projected transportation revenues and the growing transportation needs of the state. In Wisconsin, transportation improvements are funded primarily through state and federal fuel taxes and license fees. However, improvements in motor vehicle fuel economy and relatively flat vehicle miles traveled has resulted in decreased state and federal motor fuel taxes. In addition, inflation has reduced the purchasing power of revenue generated from state and federal fuel taxes, which were last raised in 1997 and 1993, respectively.

Tolling facilities are a small share of the overall road network in the United States, but the role of tolls is growing in other states as they seek to meet their own transportation needs in an era of funding shortages. Future toll revenues are pledged to secure bond financing to pay for the initial construction and ongoing maintenance and operational costs. The feasibility of tolling typically involves comparing the revenues generated from the toll facility with the cost of constructing the facility.

Although pre-existing toll roads were "grandfathered", the original legislation that established the U.S. Interstate system prohibited tolling on Federal-aid highways.<sup>12</sup> Subsequent legislation allowed for very limited instances of tolling and the creation of pilot programs. To date, Wisconsin has not participated in these pilot programs.

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<sup>12</sup> Federal Aid Highway Act of 1956, P.L. 84-627.

To address future projected shortfalls in transportation funding, the Department proposes contracting for a study to estimate the feasibility of tolling, including the potential revenue that could be generated from several possible highway and bridge toll projects in the state.

The Department previously commissioned an independent study of the feasibility of converting the Interstate system to a toll facility in 1983.<sup>13</sup> Before the advent of electronic tolling, this study found that while tolling both the rural and urban Interstates in Wisconsin was financially feasible, (i.e., surplus revenue would be generated after the construction, operation and maintenance of the toll facilities), numerous implementation issues existed including the impacts on homes and businesses, local streets, safety and traffic delays.

In 2011, the Wisconsin Policy Research Foundation commissioned the Reason Foundation to conduct a study to explore the use of toll revenue to cover the cost of an estimated \$26.2 billion Interstate reconstruction and modernization program in Wisconsin.<sup>14</sup> The study estimated that Wisconsin's entire rural Interstate system could be reconstructed and modernized entirely by financing from toll revenue bonds. However, the same study also estimated that — depending on assumptions — the revenue generated from tolling the southeast freeway system in Wisconsin would cover only between 17 and 71 percent of the cost of reconstructing the southeastern freeway system. The authors of the study by the Reason Foundation, noted that it was a preliminary study...

intended only to develop 'sketch-level' estimates of what an Interstate tolling program might be able to do. A more detailed assessment would require sophisticated traffic and revenue study by a transportation planning firm to assess feasibility at a greater level of detail and to determine optimal toll rates for each corridor.

The analysis made certain assumptions when estimating the feasibility of tolling in Wisconsin. The study compared the net present value (NPV) of the toll revenues with the NPV of project costs.<sup>15</sup> Projects in which the NPV of the revenue exceeded the NPV of the costs to construct were deemed "financially feasible" at this "... initial level of analysis." However, several other possible criteria (e.g., project phasing, design and engineering issues, administrative costs of tolling, impact on Interstate truck traffic, public acceptance, and loss of revenue and safety concerns due to diversion of traffic to alternate routes, etc.) were not taken into account. Further, the scope of the study was primarily limited to Wisconsin Interstate highways. Few highways outside of the Interstate system were included, and no analysis was done on possible bridge tolling projects. Released in 2011, the study also assumed that when the current surface transportation law was reauthorized, it would "liberalize" the existing federal Interstate pilot toll programs, providing states with expanded opportunities to participate. However, when the law was reauthorized in 2012 under MAP-21, it made a number of changes to tolling that were not anticipated by the Reason Foundation study. Most significantly, the new law requires states to maintain the number of non-tolled lanes under the Section 129 general tolling program. The Reason Foundation's study assumed all lanes would be tolled.

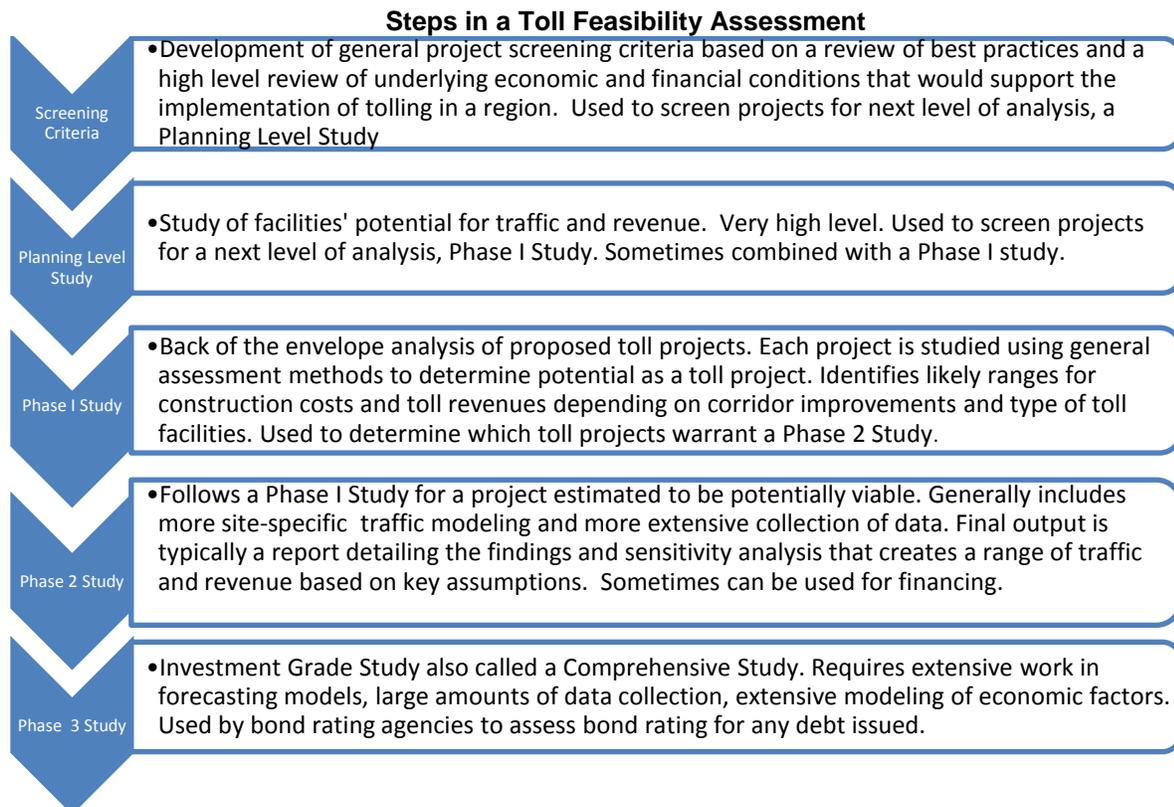
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<sup>13</sup> Wilbur Smith and Associates, Inc. *Summary Report: Feasibility of Converting Wisconsin's Interstate to a Toll Road*. Prepared for the Wisconsin Department of Transportation, August 1983.

<sup>14</sup> Poole, Robert W., Jr. *Rebuilding and Modernizing Wisconsin's Interstates with Toll Financing*. Reason Foundation. September 2011. Wisconsin Policy Research Foundation, Policy Study 398.

<sup>15</sup> Net present value compares the present value of money today to the present value of money in the future, taking inflation into account. Used in decision making it is an indicator of the value of an investment or project. It does not necessarily take into account the opportunity cost, or comparisons with other similar investments or projects.

In 2008, the Kansas Turnpike Authority and the Kansas Department of Transportation issued a resource guide to tolling in Kansas.<sup>16</sup> One section of the report provided an overview of the various steps and processes undertaken by several states as they evaluated tolling projects. The study documented a multi-step process: a state starts with a large set of possible tolling projects and through increasing levels of analysis, reduces the original set of possible projects to a smaller set of feasible toll projects based on a pre-established set of criteria. Of the 10 states the Kansas study reviewed, all employed variations of the following steps when evaluating the feasibility of tolling transportation projects in their respective states.



The Department proposes to hire a consultant to develop project screening criteria and conduct both Phase I and Phase 2 studies of potential tolling projects in Wisconsin. The consultant would also identify implementation issues, federal limitations and required state statutory changes. The study would also recommend a governing structure for the decision making associated with the building and implementation of toll facilities, and evaluate public perceptions toward tolling in Wisconsin.

The Department requests \$345,000 SEG in FY16 and \$710,000 SEG in FY 17 in Appropriation 461, s. 20.395(4)(aq) Wis. Stats., to fund a statewide tolling feasibility study.

<sup>16</sup>Spock Solutions, Inc. in association with Jacobs Engineering. *Using Tolls to Support Needed Transportation Projects: A Resource for Kansas Policymakers*. Prepared for the Kansas Turnpike Authority and Kansas Department of Transportation, November 2008.

**DIN 5405: MIS TRAIN STATION OPERATIONS**

|                   |                     |                |                    |                     |              |
|-------------------|---------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 04         | SUBPROGRAM: 01 | APPROPRIATION: 461 | DECISION ITEM: 5405 |              |
| EXPENDITURE ITEMS |                     |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 06                | SUPPLIES & SERVICES |                | 432,100.00         | 864,300.00          | 1,296,400.00 |
| 17                | TOTAL COST          |                | 432,100.00         | 864,300.00          | 1,296,400.00 |

**SUMMARY:** The Department requests \$432,100 SEG in FY 16 and \$864,300 SEG in FY 17, in Appropriation 461, s. 20.395(4)(aq), Wis. Stats., to fund operations and maintenance costs for the renovated passenger concourse at the Milwaukee Intermodal Station.

**DISCUSSION:** The passenger concourse for rail passengers at the Milwaukee Intermodal Station (MIS) is undergoing a \$20.1 million renovation using a combination of state and federal funds and grants. The renovations are anticipated to be completed by December 2015.

There is no base funding available for the operations and maintenance (O & M) costs for the renovated MIS Passenger Concourse. This request will provide funding to adequately operate and maintain the renovated facility. O & M activities at the MIS Passenger Concourse will be supervised by the Division of Business Management (DBM), in coordination with the Division of Transportation Investment Management (DTIM).

**Department of Transportation  
2015-2017 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Division of Business Management Facility Operation and Maintenance

**DIN:** 5405

**ISSUE TITLE:** Operational and Maintenance Funding for Milwaukee Intermodal Station Passenger Concourse

**REQUEST:**

The Department requests \$432,100 SEG in FY 16 and \$864,300 SEG in FY 17, in Appropriation 461, s. 20.395(4)(aq), Wis. Stats., to fund operations and maintenance costs for the renovated passenger concourse at the Milwaukee Intermodal Station.

**SUMMARY:**

The passenger concourse for rail passengers at the Milwaukee Intermodal Station (MIS) is undergoing a \$20.1 million renovation using a combination of state and federal funds and grants. The renovations are anticipated to be completed by December 2015.

There is no base funding available for the operations and maintenance (O & M) costs for the renovated MIS Passenger Concourse. This request will provide funding to adequately operate and maintain the renovated facility. O & M activities at the MIS Passenger Concourse will be supervised by the Division of Business Management (DBM), in coordination with the Division of Transportation Investment Management (DTIM).

**JUSTIFICATION:**

MIS is the gateway for rail passengers arriving in Wisconsin. It serves as a transportation link for the Milwaukee area, allowing more than 1.3 million passengers per year to use the facility to make connections to:

- Amtrak's Hiawatha service between Milwaukee and Chicago;
- Amtrak's Empire Builder long-distance service between Chicago and Seattle;
- Greyhound and other local, regional and intercity bus services; and
- County transit, taxis and personal vehicles.

MIS is open 24 hours every day, 7 days a week, and is currently managed by DTIM. DTIM must coordinate with many other agencies involved in the funding of the facility as well as railroad operations oversight; these agencies include: the Federal Highway Administration, Federal Railroad Administration, Federal Transit Authority, and the United States Department of Homeland Security. MIS is operated through a public-private partnership agreement with the Milwaukee Intermodal Partners (MIP). The agreement provides a funding source for the MIS facility, but it does not cover O & M costs associated with renovations to the MIS Concourse.

The MIS Passenger Concourse, also known as the Milwaukee Train Shed, adjoins the facility. It was built in 1965 and covers approximately 45,000 square feet over five tracks and three platforms with a tunnel and ramp system under the platforms providing below-grade pedestrian track crossing under the passenger concourse. There is a considerable amount of rail traffic passing through the MIS Passenger Concourse daily, which includes:

- between 25 and 30 freight trains;
- Amtrak trains; and
- A number of private passenger trains.

The passenger concourse, platforms and tunnel are owned and operated by the Department; the platforms, tunnel and ramps are located by easement on land owned by the Canadian Pacific Railway. Unlike the station at the MIS facility, the MIS Passenger Concourse is not included in the MIP agreement and has no funding source for O & M expenditures. Currently, O & M expenditures at the MIS Passenger Concourse have been funded by the Department on an as-needed basis.

The MIS Passenger Concourse is undergoing \$20.1 million in renovations through a combination of state and federal funds and grants, including federal earmarks and grants through the Congestion Mitigation and Air Quality Improvement Program. The MIS Passenger Concourse must be renovated because it is in extremely poor condition, affecting passengers' ability to effectively use the facility. In addition, the passenger concourse must be renovated to bring it into legal compliance with the requirements of the Americans with Disabilities Act. Renovations to the MIS Passenger Concourse include:

- bringing the concourse into compliance with ADA standards;
- a mezzanine spanning five tracks and three boarding platforms;
- 3 outdoor-rated elevators;
- 3 outdoor-rated (heated) escalator sets;
- stairways;
- passive and electric ventilation systems;
- signage;
- skylights;
- supplemental and emergency lighting;
- public announcement system;
- emergency egress tunnel conversion;
- ice melting mechanicals on the platforms; and
- epoxy paint covering of platforms for durability and slip prevention.

The renovations are expected to be completed by December 2015. Compared to the current structure that is in very poor condition, the MIS Passenger Concourse will require significantly more maintenance after completion of the project to protect the state's investment as well as to preserve the warranties for much of the renovations. Maintenance expenses are expected to be relatively minimal in the first year due to warranties and manufacturer service packages. Thereafter, the Department estimates O & M costs for the renovated MIS Passenger Concourse will be \$864,300 annually, which includes:

**Table 1**  
**Estimated Annual Operations and Maintenance Costs**  
**for Renovated MIS Passenger Concourse**

|                      | Anticipated Cost |
|----------------------|------------------|
| Energy Costs         | \$547,700        |
| Facility Maintenance | \$185,400        |
| Facility Management  | \$104,300        |
| Security             | <u>\$ 26,900</u> |
| <b>TOTAL</b>         | <b>\$864,300</b> |

Facility maintenance costs consist primarily of maintenance work on motors and pumps as well as routine facility maintenance and cleaning. Facility management costs will provide funding for a contracted facility management firm.

The MIP agreement does not provide funding for the O & M costs of the reconstructed MIS Passenger Concourse. The Department cannot absorb the additional operating costs within current operating budget allocations. This request will provide funding to adequately operate and maintain the renovated facility. Major repairs and replacements are not expected for the first 15 or 20 years of operation of the new passenger concourse. O & M activities at the passenger concourse would be supervised by DBM in coordination with DTIM.

The Department of Transportation (DOT) requests \$432,100 SEG in FY 16 and \$864,300 SEG in FY 17, in Appropriation 461, s. 20.395(4)(aq), Wis. Stats., to fund operations and maintenance for the passenger concourse to be reconstructed in 2015 at the Milwaukee Intermodal Station.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5405

**TOPIC:** Creation of a Program Revenue Appropriation for Advertising Revenue at State-Owned Passenger Railway Stations

**DESCRIPTION OF CHANGE:**

The Department requests the creation of a new appropriation in Program 2 under s.20.395, Wis. Stats. This continuing Program Revenue appropriation that will be used to receive and expend revenue collected from private or governmental sponsorship and partnership agreements for advertising. The revenue will be used to fulfill the Department's responsibilities under s. 85.055, Wis. Stats., relating to passenger rail station maintenance and improvements.

**JUSTIFICATION:**

The Department is seeking new ways to fund increasing operations and maintenance costs by partnering with private, quasi-governmental, or other governmental entities. One example of such partnering is the Milwaukee Intermodal Station (MIS) in downtown Milwaukee that provides a multi-modal hub for passenger rail, intercity bus, taxi, and local transit. The building is owned by the Department but is managed and operated by a private entity. Another example is the Milwaukee Airport Rail Station (MARS) at General Mitchell International Airport, also in Milwaukee. The Department owns the MARS facility but it is managed and maintained by Milwaukee County. The Department does not own any other passenger railway stations at this time.

MIS and MARS provide optimal locations for advertisements to be seen by the thousands of travelers who pass through each facility daily. Failure to provide advertising opportunities forces the Department to forego potential revenue that could be used to help pay for the operations and maintenance of the two facilities. Under current law, there is no appropriate mechanism for receiving and spending funds such as these. The Department has the authority to enter into "sponsorship agreements", which includes advertising, for highway maintenance activities. There is no corresponding mechanism, however, to provide authority related to advertising at and for non-highway facilities. Revenue from this appropriation would be used for costs associated with the operation and maintenance of passenger railway stations.

## DIN 6030: TRAFFIC COUNTING POSITIONS

| DEPARTMENT: 395    PROGRAM: 04    SUBPROGRAM: 01    APPROPRIATION: 461    DECISION ITEM: 6030 |                                |               |               |            |
|---|--------------------------------|---------------|---------------|------------|
| EXPENDITURE ITEMS   |                                | 1ST YEAR COST | 2ND YEAR COST | TOTAL      |
| 01  | PERMANENT POSITION SALARIES    | 26,700.00     | 26,700.00     | 53,400.00  |
| 05  | FRINGE BENEFITS                | 12,100.00     | 12,100.00     | 24,200.00  |
| 06  | SUPPLIES & SERVICES            | 27,900.00     | 27,900.00     | 55,800.00  |
| 17  | TOTAL COST                     | 66,700.00     | 66,700.00     | 133,400.00 |
| 19  | CLASSIFIED POSITIONS AUTHORIZE | .60           | .60           |            |

**SUMMARY:** The Department requests the permanent reallocation six full time equivalent (FTE) positions and the related salary and fringe benefit funding as a result of two minor reorganizations.

In addition to the reallocation of salary and fringe benefit funding, the Department requests the permanent reallocation of supplies and services funding of \$64,700 FED in each year from Appropriation 389, s. 20.395(3)(ix), Wis. Stats., to Appropriation 481, s. 20.395(4)(ax), Wis. Stats., and \$16,200 SEG in each year from Appropriation 369, s. 20.395(3)(iq), Wis. Stats., to Appropriation 461, s. 20.395(4)(aq), Wis. Stats.

**DISCUSSION** The Department requests the reallocation of the FTE and related funding for two minor reorganizations that increased the efficiency of the activities involved. The two separate initiatives are:

- The reallocation of positions 021617 and 337173 are related to the movement of the aircraft registration function from the Division of Motor Vehicles (DMV) to the Bureau of Aeronautics (BOA) in the Division of Transportation Investment Management (DTIM). DMV was previously responsible for aircraft registration along with automobile registration. However, BOA implemented an updated, comprehensive software system with the capability of aircraft registration. Moving this function from DMV to BOA creates efficiencies as it is more in line with the mission of BOA and the functional program area is now responsible for aircraft registration.
- The reallocation of positions 002705, 320226, 323165, 320128, and 320108 from the Division of Transportation System Development (DTSD) to DTIM has similar efficiencies. The Bureau of State Highway Programs in DTIM is primarily responsible for data collection and inventory for the State Trunk Highway Network, Highway Performance Monitoring System, local road inventory and mileage certification using the Wisconsin Information System for Local Roads, and traffic counting. The data is not only critical to transportation planning, development of the highway improvement program, individual state and local highway projects, and local transportation aid distributions, but collection of the data is also required under federal law. Historically, a number of field data positions have been in the Department's regional offices, which are organized in DTSD. Moving the field data positions organizationally from DTSD to DTIM and consolidating the field data collection activities in the bureau responsible for the data, will result in cost and resource savings, efficiencies, and ensure the long-term integrity of the inventory data.

| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT                              | CODES  | TITLES                                    | DECISION ITEM<br><br>NUMERIC APPN. | CODES                      | TITLES   | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br><b>B-10</b><br>PAGE <u>1</u> |             |                    |                           |         |                     |
|---|--|---|------------------------------------|----------------------------|--|---|-------------|--------------------|---------------------------|---------|---------------------|
|   | 395  | Transportation                            |                                    | 6030                       | Traffic Counting Positions                             |   |             |                    |                           |         |                     |
|   | 04   | General Transportation Operations         |                                    |                            |  |   |             |                    |                           |         |                     |
|   | 01   | Departmental Management and<br>Operations |                                    | 61                         | Departmental management and<br>operations, state funds |   |             |                    |                           |         |                     |
| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal<br>P-Project L-LTE |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| Pos.<br>Type*   | CLASS TITLES   | SCHED.<br>AND<br>RANGE                    | FTE<br>Monthly<br>Salary<br>Cost   | NUMBER OF<br>FTE POSITIONS |  | SALARY COSTS  |             | POSITION<br>NUMBER | Position<br>Term.<br>Date | REMARKS |                     |
|   |  |   |                                    | 1st<br>Year                | 2nd<br>Year  | 1st<br>Year   | 2nd<br>Year |                    |                           |         |                     |
| 01  | <b>REALLOCATE to Apprn 961 for Aircraft Registration</b> |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 02  | C  | PROGRAM AND POLICY ANALYST                | 07-04                              | 4,023                      | (0.40)   | (0.40)  | (19,309)    | (19,309)           | 021617                    |         | Moe, Joni J         |
| 03  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 04  |  | SALARIES                                  |                                    |                            | (0.40)   | (0.40)  | (19,309)    | (19,309)           |                           |         |                     |
| 05  |  | FRINGE (45.31%)                           |                                    |                            |  |   | (8,749)     | (8,749)            |                           |         |                     |
| 06  |  | TOTAL SALARIES & FRINGE                   |                                    |                            |  |   | (28,058)    | (28,058)           |                           |         |                     |
| 07  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 08  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 09  | <b>REALLOCATE from DTSD to DTIM for Traffic Counting</b> |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 10  | C  | ENG TECHNICIAN-TRANSPR-ADV 2              | 06-15                              | 3,836                      | 1.00   | 1.00  | 46,032      | 46,032             | 022705                    |         | Hollenbeck, Shawn E |
| 11  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 12  |  | SALARIES                                  |                                    |                            | 1.00   | 1.00  | 46,032      | 46,032             |                           |         |                     |
| 13  |  | FRINGE (45.31%)                           |                                    |                            |  |   | 20,857      | 20,857             |                           |         |                     |
| 14  |  | TOTAL SALARIES & FRINGE                   |                                    |                            |  |   | 66,890      | 66,890             |                           |         |                     |
| 15  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 16  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 17  | <b>Total REALLOCATIONS for Apprn 461</b>                 |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 18  |  | SALARIES                                  |                                    |                            | 0.60   | 0.60  | 26,723      | 26,723             |                           |         |                     |
| 19  |  | FRINGE (45.31%)                           |                                    |                            |  |   | 12,108      | 12,108             |                           |         |                     |
| 20  |  | TOTAL SALARIES & FRINGE                   |                                    |                            |  |   | 38,832      | 38,832             |                           |         |                     |
| 21  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 22  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 23  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 24  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 25  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 26  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 27  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 28  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 29  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 30  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 31  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 32  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |
| 33  |  |   |                                    |                            |  |   |             |                    |                           |         |                     |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 04 GENERAL TRANSP. OPERATIONS  
SP 01 DEPT'L MANAGEMENT & OPERATIONS  
NA 463 CAPITAL BUILDING PROJECTS, SERVICE FUNDS  
ALPH AT CAPITAL BUILDING PROJECTS, SERVICE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                         | CHANGE AUTHOR 1A |               |               |
|-------------------|-------------------------|------------------|---------------|---------------|
|                   |                         | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 14                | MISCELLANEOUS TRANSFERS | 5,940,000.00     | 5,940,000.00  | 11,880,000.00 |
| 17                | TOTAL COST              | 5,940,000.00     | 5,940,000.00  | 11,880,000.00 |

**DIN 5406: CAPITAL BUDGET BONDING**

|                   |                         |                |                    |                     |              |
|-------------------|-------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 04             | SUBPROGRAM: 01 | APPROPRIATION: 463 | DECISION ITEM: 5406 |              |
| EXPENDITURE ITEMS |                         |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 14                | MISCELLANEOUS TRANSFERS |                | 1,407,000.00       | 1,407,000.00        | 2,814,000.00 |
| 17                | TOTAL COST              |                | 1,407,000.00       | 1,407,000.00        | 2,814,000.00 |

**SUMMARY:** The Department of Transportation requests \$1,407,000 SEG in FY 16 and \$1,407,000 in FY 17 in Appropriation 463, s. 20.395(4)(at), Wis. Stats. This request would increase base funding related to the construction of four critically necessary capital building projects.

**DISCUSSION:** The Department has four enumerated building projects that will start in FY 16; two are scheduled to be substantially complete by the end of FY 17 and the other two will be substantially complete early in FY 18. Expenditures associated with the two latter projects will be made mostly in FY 16 and FY 17. Design work on all four projects will begin early in FY 16 and, as shown in the table below, construction will mostly take place in FY 17.

**Table 1  
Cost and Schedule for FY 16 and FY 17 Capital Building Projects**

|                                       | <b>Cost</b>         | <b>Start<br/>Construction</b> | <b>Substantially<br/>Complete</b> |
|---------------------------------------|---------------------|-------------------------------|-----------------------------------|
| DSP Communications Towers (Statewide) | \$2,800,000         | MAR 2017                      | SEP 2017                          |
| DSP Fond du Lac Post Relocation       | \$5,904,000         | MAR 2017                      | SEP 2017                          |
| DMV NW Milwaukee Center Replacement   | \$2,500,000         | SEP 2016                      | JUN 2017                          |
| DTSD SW Region HQ Renovation          | \$3,490,000         | OCT 2016                      | JUN 2017                          |
| <b>TOTAL</b>                          | <b>\$14,694,000</b> |                               |                                   |

Base funding for the Department’s Capital Building program is \$11,880,000 over the biennium. Additional bond authority is necessary to meet the Department’s Capital Budget Request.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 04 GENERAL TRANSP. OPERATIONS  
SP 01 DEPT'L MANAGEMENT & OPERATIONS  
NA 471 DEPT'L MANAGEMENT & OPERATIONS, LOCAL FUNDS  
ALPH AV DEPT'L MANAGEMENT & OPERATIONS, LOCAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                          | CHANGE AUTHOR 1A |               |            |
|-------------------|--------------------------|------------------|---------------|------------|
|                   |                          | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 16                | DELIVERY CHARGES/CREDITS | 369,000.00       | 369,000.00    | 738,000.00 |
| 17                | TOTAL COST               | 369,000.00       | 369,000.00    | 738,000.00 |

## DIN 2000

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 04 GENERAL TRANSP. OPERATIONS  
SP 01 DEPT'L MANAGEMENT & OPERATIONS  
NA 481 DEPT'L MANAGEMENT & OPERATIONS, FEDERAL FUNDS  
ALPH AX DEPT'L MANAGEMENT & OPERATIONS, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS                 | CHANGE AUTHOR 1A | 1ST YEAR COST | 2ND YEAR COST | TOTAL         |
|-----------------------------------|------------------|---------------|---------------|---------------|
| 01 PERMANENT POSITION SALARIES    |                  | 2,111,900.00  | 2,111,900.00  | 4,223,800.00  |
| 03 PROJECT POSITION SALARIES      |                  | 107,700.00    | 107,700.00    | 215,400.00    |
| 04 LTE/MISC. SALARIES             |                  | 10,000.00     | 10,000.00     | 20,000.00     |
| 05 FRINGE BENEFITS                |                  | 987,500.00    | 987,500.00    | 1,975,000.00  |
| 06 SUPPLIES & SERVICES            |                  | 4,747,200.00  | 4,747,200.00  | 9,494,400.00  |
| 14 MISCELLANEOUS TRANSFERS        |                  | 6,200.00      | 6,200.00      | 12,400.00     |
| 15 MAJOR COSTS CHARGES/CREDITS    |                  | 33,000.00     | 33,000.00     | 66,000.00     |
| 16 DELIVERY CHARGES/CREDITS       |                  | 6,337,100.00  | 6,337,100.00  | 12,674,200.00 |
| 17 TOTAL COST                     |                  | 14,340,600.00 | 14,340,600.00 | 28,681,200.00 |
| 18 PROJECT POSITIONS AUTHORIZED   |                  | 3.00          | 3.00          |               |
| 19 CLASSIFIED POSITIONS AUTHORIZE |                  | 37.25         | 37.25         |               |

**DIN 3002: REMOVAL OF NONCONTINUING ELEMENTS FROM THE BASE**

| DEPARTMENT: 395   |                              | PROGRAM: 04 | SUBPROGRAM: 01 | APPROPRIATION: 481 | DECISION ITEM: 3002 |  |
|-------------------|------------------------------|-------------|----------------|--------------------|---------------------|--|
| EXPENDITURE ITEMS |                              |             | 1ST YEAR COST  | 2ND YEAR COST      | TOTAL               |  |
| 03                | PROJECT POSITION SALARIES    |             | .00            | 94,200.00-         | 94,200.00-          |  |
| 05                | FRINGE BENEFITS              |             | .00            | 42,700.00-         | 42,700.00-          |  |
| 17                | TOTAL COST                   |             | .00            | 136,900.00-        | 136,900.00-         |  |
| 18                | PROJECT POSITIONS AUTHORIZED |             | .00            | 2.00-              |                     |  |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

| DEPARTMENT: 395    PROGRAM: 04    SUBPROGRAM: 01    APPROPRIATION: 481    DECISION ITEM: 3003 |               |               |            |  |
|---|---------------|---------------|------------|--|
| EXPENDITURE ITEMS   | 1ST YEAR COST | 2ND YEAR COST | TOTAL      |  |
| 01 PERMANENT POSITION SALARIES  | 114,100.00    | 114,100.00    | 228,200.00 |  |
| 03 PROJECT POSITION SALARIES  | 130,100.00    | 130,100.00    | 260,200.00 |  |
| 05 FRINGE BENEFITS  | 80,800.00     | 80,800.00     | 161,600.00 |  |
| 17 TOTAL COST   | 325,000.00    | 325,000.00    | 650,000.00 |  |
| 18 PROJECT POSITIONS AUTHORIZED   | .00           | .00           |            |  |
| 19 CLASSIFIED POSITIONS AUTHORIZED  | .00           | .00           |            |  |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |          |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------|
| DEPARTMENT: 395   | PROGRAM: 04                 | SUBPROGRAM: 01 | APPROPRIATION: 481 | DECISION ITEM: 3007 |          |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL    |
| 01                | PERMANENT POSITION SALARIES |                | 4,000.00           | 4,000.00            | 8,000.00 |
| 05                | FRINGE BENEFITS             |                | 600.00             | 600.00              | 1,200.00 |
| 17                | TOTAL COST                  |                | 4,600.00           | 4,600.00            | 9,200.00 |

**DIN 6030: TRAFFIC COUNTING POSITIONS**

|                   |                                |                |                    |                     |            |
|-------------------|--------------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 04                    | SUBPROGRAM: 01 | APPROPRIATION: 481 | DECISION ITEM: 6030 |            |
| EXPENDITURE ITEMS |                                |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01                | PERMANENT POSITION SALARIES    |                | 183,000.00         | 183,000.00          | 366,000.00 |
| 05                | FRINGE BENEFITS                |                | 83,000.00          | 83,000.00           | 166,000.00 |
| 06                | SUPPLIES & SERVICES            |                | 113,200.00         | 113,200.00          | 226,400.00 |
| 17                | TOTAL COST                     |                | 379,200.00         | 379,200.00          | 758,400.00 |
| 19                | CLASSIFIED POSITIONS AUTHORIZE |                | 4.00               | 4.00                |            |

**See Decision Item 6030-Appropriation 461 for an explanation.**

| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT                              | CODES  | TITLES                                    | DECISION ITEM<br><br>NUMERIC APPN. | CODES                      | TITLES   | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br><b>B-10</b><br>PAGE <u>1</u> |             |                    |                           |                      |
|---|--|---|------------------------------------|----------------------------|--|---|-------------|--------------------|---------------------------|----------------------|
|   | 395  | Transportation                            |                                    | 6030                       | Traffic Counting Positions                               |   |             |                    |                           |                      |
|   | 04   | General Transportation Operations         |                                    |                            |  |   |             |                    |                           |                      |
|   | 01   | Departmental Management and<br>Operations |                                    | 81                         | Departmental management and<br>operations, federal funds |   |             |                    |                           |                      |
| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal<br>P-Project L-LTE |  |   |                                    |                            |  |   |             |                    |                           |                      |
| Pos.<br>Type*   | CLASS TITLES   | SCHED.<br>AND<br>RANGE                    | FTE<br>Monthly<br>Salary<br>Cost   | NUMBER OF<br>FTE POSITIONS |  | SALARY COSTS  |             | POSITION<br>NUMBER | Position<br>Term.<br>Date | REMARKS              |
|   |  |   |                                    | 1st<br>Year                | 2nd<br>Year  | 1st<br>Year   | 2nd<br>Year |                    |                           |                      |
| 01  | <b>REALLOCATE from DTSD to DTIM for Traffic Counting</b> |   |                                    |                            |  |   |             |                    |                           |                      |
| 02  | C PROGRAM AND POLICY ANALYST-ADV                         | 07-03                                     | 4,614                              | 1.00                       | 1.00   | 55,368  | 55,368      | 320108             |                           | Goodwyn, Thomas A    |
| 03  | C REAL ESTATE SPECIALIST                                 | 07-04                                     | 2,989                              | 1.00                       | 1.00   | 35,865  | 35,865      | 320128             |                           | Vacant (Ruszkiewicz) |
| 04  | C ENG TECHNICIAN-TRANSPR-ADV                             | 06-14                                     | 3,758                              | 1.00                       | 1.00   | 45,096  | 45,096      | 320226             |                           | Rogers, Richard J    |
| 05  | C URBAN AND REGIONAL PLANNER-ADV                         | 07-03                                     | 3,895                              | 1.00                       | 1.00   | 46,738  | 46,738      | 323165             |                           | Vacant (Wydeven)     |
| 06  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 07  | SALARIES   |   |                                    | 4.00                       | 4.00   | 183,067   | 183,067     |                    |                           |                      |
| 08  | FRINGE (45.31%)  |   |                                    |                            |  | 82,948  | 82,948      |                    |                           |                      |
| 09  | TOTAL SALARIES & FRINGE                                  |   |                                    |                            |  | 266,015   | 266,015     |                    |                           |                      |
| 10  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 11  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 12  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 13  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 14  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 15  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 16  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 17  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 18  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 19  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 20  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 21  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 22  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 23  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 24  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 25  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 26  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 27  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 28  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 29  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 30  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 31  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 32  |  |   |                                    |                            |  |   |             |                    |                           |                      |
| 33  |  |   |                                    |                            |  |   |             |                    |                           |                      |

**DIN 5401: TRANSIT SAFETY OVERSIGHT FUNDING**

|                 |                     |                |                    |                     |            |
|-----------------|---------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395 | PROGRAM: 04         | SUBPROGRAM: 01 | APPROPRIATION: 482 | DECISION ITEM: 5401 |            |
|                 | EXPENDITURE ITEMS   |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 06              | SUPPLIES & SERVICES |                | 286,600.00         | 290,900.00          | 577,500.00 |
| 17              | TOTAL COST          |                | 286,600.00         | 290,900.00          | 577,500.00 |

**See Decision Item 5401-Appropriation 460 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 04 GENERAL TRANSP. OPERATIONS  
SP 04 DEMAND MANAGEMENT  
NA 464 DEMAND MANAGEMENT  
ALPH DQ DEMAND MANAGEMENT  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                                | CHANGE AUTHOR 1A |               |            |
|-------------------|--------------------------------|------------------|---------------|------------|
| EXPENDITURE ITEMS |                                | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 01                | PERMANENT POSITION SALARIES    | 183,000.00       | 183,000.00    | 366,000.00 |
| 05                | FRINGE BENEFITS                | 81,400.00        | 81,400.00     | 162,800.00 |
| 06                | SUPPLIES & SERVICES            | 89,700.00        | 89,700.00     | 179,400.00 |
| 17                | TOTAL COST                     | 354,100.00       | 354,100.00    | 708,200.00 |
| 19                | CLASSIFIED POSITIONS AUTHORIZE | 4.00             | 4.00          |            |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                                |             |                |                    |                     |  |
|--------------------------------|-------------|----------------|--------------------|---------------------|--|
| DEPARTMENT: 395                | PROGRAM: 04 | SUBPROGRAM: 04 | APPROPRIATION: 464 | DECISION ITEM: 3003 |  |
| EXPENDITURE ITEMS              |             | 1ST YEAR COST  | 2ND YEAR COST      | TOTAL               |  |
| 01 PERMANENT POSITION SALARIES |             | 8,300.00       | 8,300.00           | 16,600.00           |  |
| 05 FRINGE BENEFITS             |             | 8,100.00       | 8,100.00           | 16,200.00           |  |
| 17 TOTAL COST                  |             | 16,400.00      | 16,400.00          | 32,800.00           |  |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 04 GENERAL TRANSP. OPERATIONS  
SP 05 DEPARTMENTAL SERVICE CENTERS  
NA 465 DATA PROCESSING SERVICES, SERVICE FUNDS  
ALPH EQ DATA PROCESSING SERVICES, SERVICE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS                 | CHANGE AUTHOR 1A | 1ST YEAR COST | 2ND YEAR COST | TOTAL         |
|-----------------------------------|------------------|---------------|---------------|---------------|
| 01 PERMANENT POSITION SALARIES    |                  | 78,600.00     | 78,600.00     | 157,200.00    |
| 04 LTE/MISC. SALARIES             |                  | 150,700.00    | 150,700.00    | 301,400.00    |
| 05 FRINGE BENEFITS                |                  | 46,500.00     | 46,500.00     | 93,000.00     |
| 06 SUPPLIES & SERVICES            |                  | 13,941,200.00 | 13,941,200.00 | 27,882,400.00 |
| 07 PERMANENT PROPERTY             |                  | 800,000.00    | 800,000.00    | 1,600,000.00  |
| 17 TOTAL COST                     |                  | 15,017,000.00 | 15,017,000.00 | 30,034,000.00 |
| 19 CLASSIFIED POSITIONS AUTHORIZE |                  | 1.00          | 1.00          |               |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                 |                             |                |                    |                     |           |
|-----------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395 | PROGRAM: 04                 | SUBPROGRAM: 05 | APPROPRIATION: 465 | DECISION ITEM: 3003 |           |
|                 | EXPENDITURE ITEMS           |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 01              | PERMANENT POSITION SALARIES |                | 12,100.00          | 12,100.00           | 24,200.00 |
| 05              | FRINGE BENEFITS             |                | 10,300.00          | 10,300.00           | 20,600.00 |
| 17              | TOTAL COST                  |                | 22,400.00          | 22,400.00           | 44,800.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 04 GENERAL TRANSP. OPERATIONS  
SP 05 DEPARTMENTAL SERVICE CENTERS  
NA 466 FLEET OPERATIONS, SERVICE FUNDS  
ALPH ER FLEET OPERATIONS, SERVICE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS                 | CHANGE AUTHOR 1A<br>1ST YEAR COST | 2ND YEAR COST | TOTAL         |
|-----------------------------------|-----------------------------------|---------------|---------------|
| 01 PERMANENT POSITION SALARIES    | 208,000.00                        | 208,000.00    | 416,000.00    |
| 04 LTE/MISC. SALARIES             | 18,000.00                         | 18,000.00     | 36,000.00     |
| 05 FRINGE BENEFITS                | 92,700.00                         | 92,700.00     | 185,400.00    |
| 06 SUPPLIES & SERVICES            | 5,104,400.00                      | 5,104,400.00  | 10,208,800.00 |
| 07 PERMANENT PROPERTY             | 6,418,100.00                      | 6,418,100.00  | 12,836,200.00 |
| 14 MISCELLANEOUS TRANSFERS        | 200,000.00                        | 200,000.00    | 400,000.00    |
| 17 TOTAL COST                     | 12,041,200.00                     | 12,041,200.00 | 24,082,400.00 |
| 19 CLASSIFIED POSITIONS AUTHORIZE | 4.00                              | 4.00          |               |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 04                 | SUBPROGRAM: 05 | APPROPRIATION: 466 | DECISION ITEM: 3003 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01                | PERMANENT POSITION SALARIES |                | 10,100.00-         | 10,100.00-          | 20,200.00- |
| 05                | FRINGE BENEFITS             |                | 5,000.00           | 5,000.00            | 10,000.00  |
| 17                | TOTAL COST                  |                | 5,100.00-          | 5,100.00-           | 10,200.00- |

## **DIN 5407: DOT FLEET COSTS**

|                   |                    |                |                    |                     |              |
|-------------------|--------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 04        | SUBPROGRAM: 05 | APPROPRIATION: 466 | DECISION ITEM: 5407 |              |
| EXPENDITURE ITEMS |                    |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 07                | PERMANENT PROPERTY |                | 550,000.00         | 550,000.00          | 1,100,000.00 |
| 17                | TOTAL COST         |                | 550,000.00         | 550,000.00          | 1,100,000.00 |

**SUMMARY:** The Department of Transportation requests \$550,000 SEG in FY 16 and \$550,000 in FY 17 in Appropriation 466, s. 20.395(4)(er), Wis. Stats. This request would increase base funding related to the operation of additional vehicles purchased by the Fleet Service Center due to additional positions created in 2013 Wisconsin Act 20. The service center allocates costs to programs using fleet vehicles.

**DISCUSSION:** 2013 Wisconsin Act 20 gave the Department of Transportation (DOT) authority to create 180.00 FTE positions in the Division of Transportation System Development. As a result of the additional positions, DOT experienced increased demand for Fleet vehicles. This increase includes both for the occasional use of Fleet vehicles by employees as well as an increase in personally-assigned vehicles for employees whose job duties require significant amounts of in-state travel. In response to the additional demand, DOT received permission from the Department of Administration (DOA) to purchase 62 additional fleet vehicles. Those vehicles were purchased in FY 14.

The additional vehicles will incur approximately \$550,000 in additional annual operating costs. These costs include fuel, maintenance, depreciation, and administration. The increase in operational expenditures will result in the Fleet Service Center appropriation (APPR 466) exceeding its current operating budget. Maintenance and fuel costs are expected to remain steady in the next two to three years.

This request will provide additional expenditure authority to fund the additional operating expenses. The request will be offset through additional revenue collected by the Department's Fleet Service Center through the Fleet rate charged to the divisions within the Department for use of the vehicles.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 04 GENERAL TRANSP. OPERATIONS  
SP 05 DEPARTMENTAL SERVICE CENTERS  
NA 467 OTHER DEPARTMENT SERVICES, OPERATIONS, SERVICE FDS  
ALPH ES OTHER DEPARTMENT SERVICES, OPERATIONS, SERVICE FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |               |
|-------------------|-----------------------------|------------------|---------------|---------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 01                | PERMANENT POSITION SALARIES | 45,700.00        | 45,700.00     | 91,400.00     |
| 04                | LTE/MISC. SALARIES          | 4,000.00         | 4,000.00      | 8,000.00      |
| 05                | FRINGE BENEFITS             | 18,200.00        | 18,200.00     | 36,400.00     |
| 06                | SUPPLIES & SERVICES         | 5,001,700.00     | 5,001,700.00  | 10,003,400.00 |
| 07                | PERMANENT PROPERTY          | 133,000.00       | 133,000.00    | 266,000.00    |
| 17                | TOTAL COST                  | 5,202,600.00     | 5,202,600.00  | 10,405,200.00 |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 04                 | SUBPROGRAM: 05 | APPROPRIATION: 467 | DECISION ITEM: 3003 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 01                | PERMANENT POSITION SALARIES |                | 45,700.00-         | 45,700.00-          | 91,400.00-  |
| 05                | FRINGE BENEFITS             |                | 17,900.00-         | 17,900.00-          | 35,800.00-  |
| 17                | TOTAL COST                  |                | 63,600.00-         | 63,600.00-          | 127,200.00- |

| <b>BUDGET NARRATIVE FORM</b>                       |            |  |               |
|--|------------|--|---------------|
|  | Codes      | Titles   | Page          |
| AGENCY NARRATIVE                                   | <b>395</b> | <b>Department of Transportation</b>            | <b>1 of 1</b> |
| PROGRAM NARRATIVE                                  | <b>05</b>  | <b>Motor Vehicles Services and Enforcement</b> |               |
| SUB-PROGRAM NARRATIVE                              |            |  |               |
| <b>-NOT FOR USE WITH DECISION ITEM NARRATIVES-</b> |            |  |               |

This program includes the Division of State Patrol and the Division of Motor Vehicles. The objectives of this program are to:

1. Provide comprehensive traffic enforcement and vehicle inspection programs and manage federal grants for highway safety programs to help motorists use the transportation system safely.
2. Provide vehicle registration and driver licensing services and collect related Transportation Fund revenues.
3. Provide a vehicle emissions inspection and maintenance program in required counties to improve air quality.

## PROGRAM 5 PERFORMANCE MEASURE

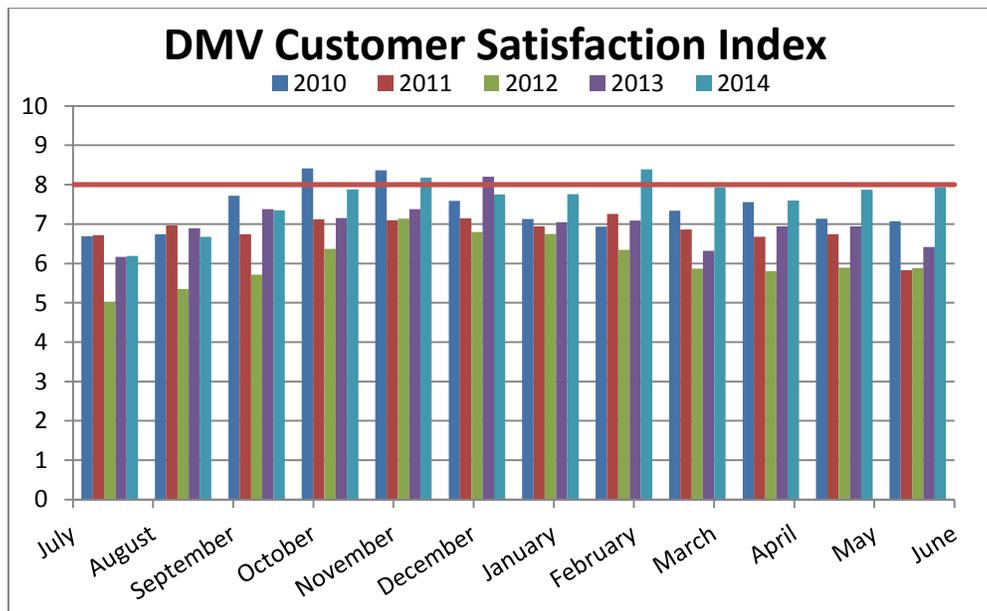
PROGRAM 5: Motor Vehicle Services and Enforcement  
 GOAL: Effective enforcement of traffic safety and vehicle registration laws, and efficient provision of motor vehicle services  
 ACTIVITY: Delivery of the Division of Motor Vehicles' (DMV's) products and services  
 OBJECTIVE: Maintain and improve, where possible, customer satisfaction levels with DMV services and products over time  
 OUTCOME MEASURE: Customer Satisfaction Index score

DESCRIPTION OF ACTIVITY: The Division of Motor Vehicles (DMV) provides Wisconsin residents with driver and vehicle services, including driver licensing, vehicle registration and updates, title transfers, and driver record updates. While the majority of these services are performed at the customer service center counters or over the telephone, more recently, there has been an increase in the number of transactions that can be performed electronically or through a third-party partner.

As a division with a high level of public contact and visibility, DMV has made efforts to improve the level of customer satisfaction with the Department. DMV implemented the Customer Satisfaction Index (CSI) to track service. Each month the division "grades" itself in five service categories (Service Center Wait Time, Skills Test Availability, Phone Service, Driver Record and Updates and Mail). Through customer surveys, DMV has determined an acceptable service delivery times and indexes each service category on a scale of 1 to 10 with a target of 8. Those categories are weighted and combined to establish an overall score for DMV.

The Division revised the CSI scoring index, which resulted in several modifications that were implemented beginning in 2012. These modifications include re-evaluating customer expectations, redefining how certain measures are presented, adding the Skills Test Availability measure and shifting the index target from 7 to 8. Since the Division has adopted this new index, past years have been rescored with the new index to maintain consistency.

The table shows customer satisfaction index score for each month by fiscal year.



Source: DMV annual composite CSI calculations

This measure experiences several seasonal fluctuations that reflect several factors, such as a customer preference to visit service centers during the summer, and annual registrations due at the end of the calendar year. There was also a noticeable decline in service during the 2012 fiscal year due to the Division's vacancy rate of 28 percent. Though the lack of adequate staff boosted the Division's products-per-hour measure, the overall level of services received by our customers deteriorated. With many of these vacancies filled the Division experienced improvement in the CSI during the past biennium and expects this trend to continue.

**ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:** For FY 15, the amounts appropriated for vehicle registration and driver licensing are \$72.16 million SEG and \$260.5 thousand FED.

**RELATED DECISION ITEM(S):** 5501, 5502, 5503, 5504

**PLANNED PROGRESS TOWARD OBJECTIVE:** Each of the major services performed by DMV is represented in the CSI. The index consists of scores (0=worst, 10=best) corresponding to service level expectations for each activity. A score of 8 represents the customer expectation determined through customer surveys. Scores in each category are weighted based on the volume to calculate an overall score. The objective is to achieve an overall score of at least 8 through data driven decision-making, process improvement and increasing self-service options.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** A significant external factor affecting the outcome of this performance measure is the change in workload that comes from changes in the driving population and the number of vehicle owners. Another factor is the level of success DMV has achieved in expanding the movement of "DMV work" to DMV business partners and on-line services. Every customer that is satisfactorily served by a business partner or through the electronic exchange of data with business partners results in the ability of DMV staff to better serve the remaining customers and, therefore, positively affect customer satisfaction.

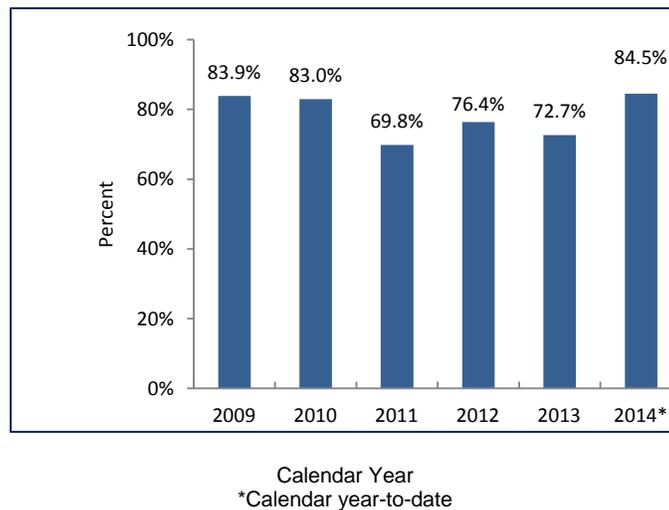
**USE OF OUTCOME MEASURES IN PROGRAMMING:** DMV reviews the data that feeds each CSI component on a weekly basis and makes adjustments to work assignments of available staff. The aggregate CSI is reviewed on a monthly basis by all levels of DMV management to determine where resources are most needed. Furthermore, decision making on a day-to-day basis is affected by how each decision will improve the CSI and other performance measures.

## PROGRAM 5 PERFORMANCE MEASURE

**PROGRAM 5:** Motor Vehicle Services and Enforcement  
**GOAL:** Effective enforcement of traffic safety and vehicle registration laws and efficient provision of motor vehicle services.  
**ACTIVITY:** Delivery of Division of Motor Vehicles (DMV) products and services  
**OBJECTIVE:** Serve 80 percent of customers within 20 minutes of their arrival at a DMV customer service center  
**OUTCOME MEASURE:** Percentage of DMV customers served within 20 minutes of arrival at DMV customer service center

**DESCRIPTION OF ACTIVITY:** For many customers, their primary contact with the Department is through the Division of Motor Vehicles (DMV). While most DMV services do not require an in-person visit, customer service center still experience large volumes of customers (more than two million transactions occur in-person each year). The measure counts all recorded wait times at the 92 service centers and calculates the percent of customers who waited 20 minutes or less. This includes all customers who visit the 30 five-day stations and any customer seeking a product that requires a photo at the remaining 62 locations (the DMV's 30 five-day offices serve approximately 90 percent of customers).

**Percent of DMV Service Center Customers Served Within 20 Minutes**



**ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:** For FY 15, the amounts appropriated for vehicle registration and driver licensing are \$72.16 million SEG and \$260.5 thousand FED.

**RELATED DECISION ITEM(S):** 5504

**PLANNED PROGRESS TOWARD OBJECTIVE:** The DMV has met the target during calendar year 2014; this was last accomplished in 2010. The DMV tracks individual locations to identify best practices and facilitate the sharing of ideas among supervisors. The DMV recently began piloting self-service kiosks for vehicle registration renewals in Madison and will continue to expand this option to other locations. This will allow customers seeking a registration renewal to receive their product with a minimal waiting, while increasing the availability of agents to help other customers.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** Factors affecting this measure are staff vacancies and absences, computer system reliability and the day of the week/month (because demand for services varies). Increases in self-service options available by phone and on-line also affect the demand for counter service.

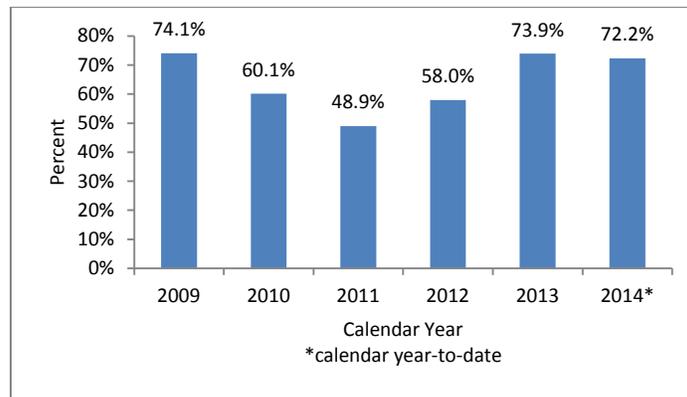
**USE OF OUTCOME MEASURES IN PROGRAMMING:** The DMV tracks several internal metrics that influence this outcome and use these measures to identify how to approach improvement. For example, the DMV proactively plans for seasonal spikes in customer traffic and responds to the increase in customers during the summer months that have historically caused a drop in customer service.

## PROGRAM 5 PERFORMANCE MEASURE

**PROGRAM 5:** Motor Vehicle Services and Enforcement  
**GOAL:** Effective enforcement of traffic safety and vehicle registration laws and efficient provision of motor vehicle services.  
**ACTIVITY:** Delivery of Division of Motor Vehicles' (DMV) products and services  
**OBJECTIVE:** Answer 80% of all of the calls offered to DMV staff within two minutes weight time  
**OUTCOME MEASURE:** Percentage of DMV telephone wait times within two minutes

**DESCRIPTION OF ACTIVITY:** In addition to approximately two million customers served in-person each year at DMV service centers, the DMV also receives an average of 1.11 million phone calls each year from individuals, business partners and other governmental entities. These calls range in complexity from a simple request for a service center location to questions about a commercial driver's license eligibility requirements. Although phone customers are not physically waiting in-line, they deserve timely service.

**Percent of DMV Phone Wait Times Within Two Minutes**



**ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:** For FY 15, the amounts appropriated for vehicle registration and driver licensing are \$72.16 million SEG and \$260.5 thousand FED.

**RELATED DECISION ITEM(S):** 5504

**PLANNED PROGRESS TOWARD OBJECTIVE:** Though the DMV has not met the target service level, this measure has experienced continued improvement since 2011 despite the continual increase in volume. The DMV has achieved this mostly through consolidating phone centers to leverage the beneficial effects of pooling.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** These include: the number of representatives answering phones; the number of calls; the length of time a representative is on the phone with a customer, which is a product of the complexity of the call; and the representative's knowledge and skills.

**USE OF OUTCOME MEASURES IN PROGRAMMING:** By expanding online services and improving the information available on the Department's website, the DMV can reduce the number of calls. The DMV is also evaluating the process for hiring new staff to phone units to reduce the time needed to fill vacancies, which in turn ensures that the DMV has agents available.

## PROGRAM 5 PERFORMANCE MEASURE

PROGRAM 5: Motor Vehicle Services and Enforcement  
 GOAL: Effective enforcement of traffic safety and vehicle registration laws, and efficient provision of motor vehicle services  
 ACTIVITY: Delivery of Division of Motor Vehicles' (DMV) products and services  
 OBJECTIVE: Improve cost-effectiveness of DMV's products and services  
 OUTCOME MEASURE: Number of DMV transactions per hour

DESCRIPTION OF ACTIVITY: The Division of Motor Vehicles (DMV) provides Wisconsin residents with driver and vehicle services, including driver licensing, vehicle registration issuance and updates, title transfers, and driver record updates. While the majority of these services are performed at customer service counters or over the telephone there has been an increase in recent years in the number of transactions that can be performed electronically.

DMV counts each of the products delivered to its customers. The majority of these products are titles, registrations, and driver licenses. Through automated services and contracting of certain services to private vendors, DMV has steadily increased the number of products issued per employee work hour.

PRODUCTS ISSUED PER EMPLOYEE WORK HOUR

| CALENDAR YEAR | TOTAL PRODUCTS | TOTAL HOURS | PRODUCTS PER HOUR |
|---------------|----------------|-------------|-------------------|
| 2004          | 11,998,585     | 1,375,697   | 8.72              |
| 2005          | 11,482,065     | 1,378,163   | 8.33              |
| 2006          | 11,870,816     | 1,301,020   | 9.12              |
| 2007          | 11,247,085     | 1,260,873   | 8.92              |
| 2008          | 11,565,714     | 1,283,229   | 9.01              |
| 2009          | 10,753,478     | 1,237,150   | 8.69              |
| 2010          | 11,050,504     | 1,165,985   | 9.48              |
| 2011          | 10,483,108     | 1,113,394   | 9.42              |
| 2012          | 10,744,765     | 1,169,860   | 9.18              |
| 2013          | 10,512,379     | 1,270,089   | 8.28              |

ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT: For FY 15, the amounts appropriated for vehicle registration and driver licensing are \$72.16 million SEG and \$260.5 thousand FED.

RELATED DECISION ITEM(S): 5501, 5502, 5503, 5504

PLANNED PROGRESS TOWARD OBJECTIVE: The products-per-hour data above shows a downward trend in the number of DMV products produced per available DMV employee hour. This is the result of DMV offering an additional 32,000 annual service hours beginning in January of 2012 without a corresponding increase in production.

To ensure the best possible service with continuous reductions in staff, DMV has developed an active program of data exchange with its business partners. This has resulted in a reduction of effort needed by both DMV and the business partners' staff. In addition, business partners from the private sector are providing services to DMV customers that would otherwise be provided by DMV staff. It is a combination of these efforts, along with process efficiencies instituted by DMV, which accounts for the overall upward trend in the number of products per hour.

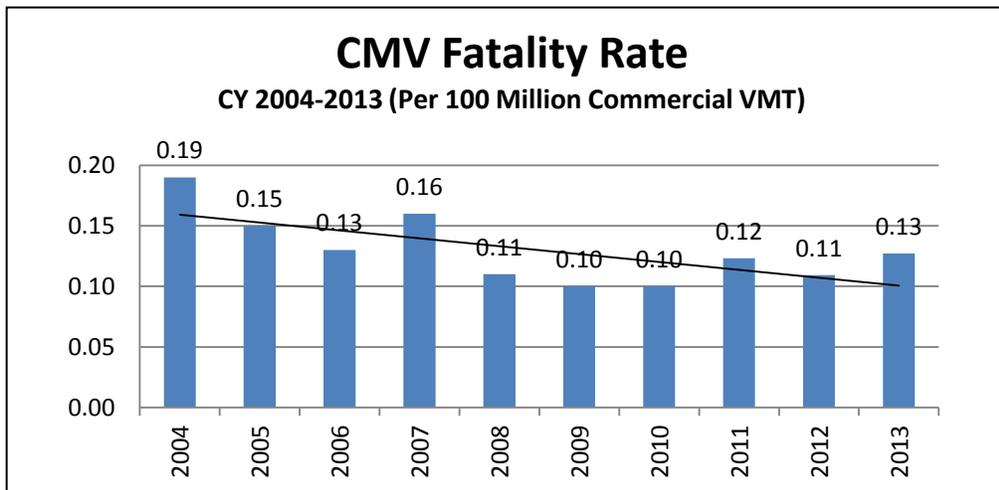
**EXTERNAL FACTORS AFFECTING OUTCOMES:** A significant external factor affecting the outcome of this performance measure is the change in workload that results from changes in the size of the driving population and the number of vehicle owners. Recently, new federal requirements that modify the steps necessary to issue a driver license have affected workload and the number of products issued per employee work hour. There is also a decrease in the number of products issued per hour during odd-numbered calendar years, due to biennial registration during even-numbered calendar years for certain categories of vehicles.

**USE OF OUTCOME MEASURES IN PROGRAMMING:** This performance measure is used to evaluate DMV's progress toward meeting its long-term strategic goals. The data is formally reviewed on an annual basis and is used in conjunction with the Customer Satisfaction Index. DMV's ability to continually make process improvements, increase the amount of work performed by business partners, and continue to leverage automation opportunities through the use of technologies such as interactive data exchange is essential to managing workload.

## PROGRAM 5 PERFORMANCE MEASURE

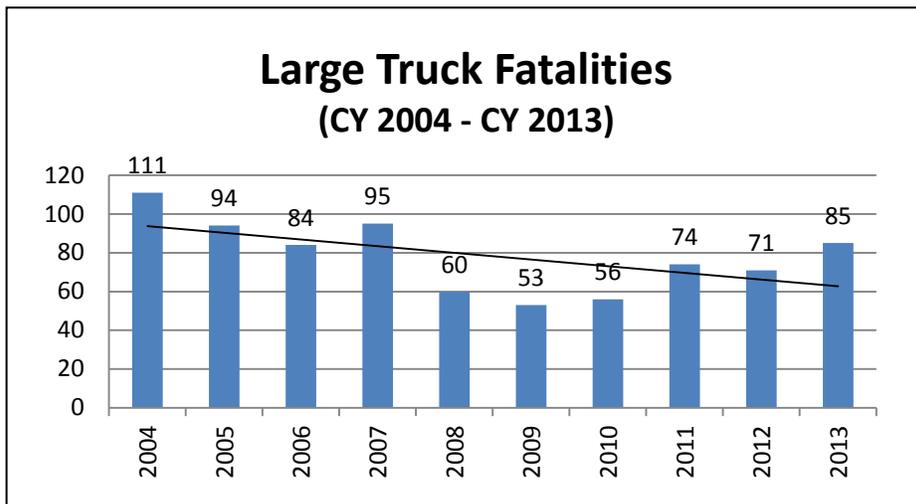
PROGRAM 5: Motor Vehicle Services and Enforcement  
 GOAL: Effective enforcement of traffic safety and vehicle registration laws, and efficient provision of motor vehicle services  
 ACTIVITY: Motor Carrier Safety Assistance Program (MCSAP) fundable traffic enforcement of commercial and non-commercial motor vehicles.  
 OBJECTIVE: Safer highways through data-driven commercial motor vehicle (CMV) traffic enforcement efforts  
 OUTCOME MEASURE: Rate of fatalities in CMV-related crashes per 100 million vehicle miles traveled (VMT) or commercial VMT

DESCRIPTION OF ACTIVITY: The Division of State Patrol's Motor Carrier Enforcement Section inspects CMVs and their operators to ensure compliance with state and federal safety regulations and enforces traffic laws for CMVs and non-CMV in order to reduce CMV-related crash, injury and fatality rates. The trend of CMV-related fatalities in Wisconsin per 100 million (i.e., commercial) VMT is shown below.



Sources: A and I (FMCSA, 2014), WisDOT Traffic Forecasting Section (Commercial VMT, 2014)

The following chart shows the number of fatalities statewide in large-truck crashes:



Source: WisDOT Traffic Accident Database

It is necessary to increase traffic enforcement activities through general and targeted initiatives that include:

- data-driven traffic enforcement activities,
- traffic enforcement overtime scheduled as needed,
- targeted enforcement through special projects,
- greater visibility,
- greater awareness through media campaigns, and
- enhanced partnerships with other enforcement and safety agencies.

**ANNUAL BASE RESOURCES COMMITTED TO THE ACTIVITY AND CURRENT LEVEL OF EFFORT:** For FFY 15, estimated budget support for the MCSAP Commercial Vehicle Safety Plan is \$0.95 million SEG, and \$3.8 million FED.

**RELATED DECISION ITEM(S):** 5508, 5509

**PLANNED PROGRESS TOWARD OBJECTIVE:** The Federal Motor Carrier Safety Administration (FMCSA), charged with administering MCSAP to the individual states, established a goal of reducing the national CMV Fatality Rate to 0.114 fatalities per 100 million VMT or less for CY 2014. Although Wisconsin has been successful in meeting this national goal as early as 2005, the state has been slightly above the goal since 2011. In 2013, Wisconsin had a CMV Fatality Rate of 0.13. Wisconsin will strive to reduce this to, or below, the national CMV fatality rate.

**EXTERNAL FACTORS AFFECTING OUTCOMES:** External factors that cannot be addressed within the scope of the program include the impact of roadways, traffic patterns, changes in VMT, human behavior, weather and the effect of enforcement and education programs in other states.

**USE OF OUTCOME MEASURES IN PROGRAMMING:** The Department will be able to evaluate program effectiveness by monitoring each subsequent year's fatality rate in addition to scrutinizing the number of fatalities and fatal crashes involving CMVs. If needed, the Department will address activities that are not working and/or identify additional problems to achieve an improved outcome.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
SP 03 VEH REGISTR & DRIVER LICENSING  
NA 527 BREATH SCREENING INSTRUMENTS, STATE FUNDS  
ALPH CI BREATH SCREENING INSTRUMENTS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                    | CHANGE AUTHOR 1A |               |            |
|-------------------|--------------------|------------------|---------------|------------|
|                   |                    | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 07                | PERMANENT PROPERTY | 299,200.00       | 299,200.00    | 598,400.00 |
| 17                | TOTAL COST         | 299,200.00       | 299,200.00    | 598,400.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
 PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
 SP 03 VEH REGISTR & DRIVER LICENSING  
 NA 563 VEH REG, I&M, DR LIC & AIRCRAFT REG, STATE FUNDS  
 ALPH CQ VEH REG, I&M, DR LIC & AIRCRAFT REG, STATE FUNDS  
 DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                                | CHANGE AUTHOR 1A |               |                |
|-------------------|--------------------------------|------------------|---------------|----------------|
| EXPENDITURE ITEMS |                                | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 01                | PERMANENT POSITION SALARIES    | 32,603,300.00    | 32,603,300.00 | 65,206,600.00  |
| 04                | LTE/MISC. SALARIES             | 134,900.00       | 134,900.00    | 269,800.00     |
| 05                | FRINGE BENEFITS                | 14,407,300.00    | 14,407,300.00 | 28,814,600.00  |
| 06                | SUPPLIES & SERVICES            | 26,541,400.00    | 26,541,400.00 | 53,082,800.00  |
| 07                | PERMANENT PROPERTY             | 193,500.00       | 193,500.00    | 387,000.00     |
| 17                | TOTAL COST                     | 73,880,400.00    | 73,880,400.00 | 147,760,800.00 |
| 19                | CLASSIFIED POSITIONS AUTHORIZE | 759.80           | 759.80        |                |
| 20                | UNCLASSIFIED POS. AUTHORIZED   | 1.00             | 1.00          |                |

**DIN 3001: TURNOVER REDUCTION**

|                   |             |                |                    |                     |               |
|-------------------|-------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 05 | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 3001 |               |
| EXPENDITURE ITEMS |             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 02                | TURNOVER    |                | 978,100.00-        | 978,100.00-         | 1,956,200.00- |
| 17                | TOTAL COST  |                | 978,100.00-        | 978,100.00-         | 1,956,200.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

| DEPARTMENT: 395    PROGRAM: 05    SUBPROGRAM: 03    APPROPRIATION: 563    DECISION ITEM: 3003 |               |               |             |  |
|---|---------------|---------------|-------------|--|
| EXPENDITURE ITEMS   | 1ST YEAR COST | 2ND YEAR COST | TOTAL       |  |
| 01 PERMANENT POSITION SALARIES  | 388,200.00-   | 388,200.00-   | 776,400.00- |  |
| 05 FRINGE BENEFITS  | 200,700.00    | 200,700.00    | 401,400.00  |  |
| 17 TOTAL COST   | 187,500.00-   | 187,500.00-   | 375,000.00- |  |
| 19 CLASSIFIED POSITIONS AUTHORIZE   | .00           | .00           |             |  |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 3007 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01                | PERMANENT POSITION SALARIES |                | 374,800.00         | 374,800.00          | 749,600.00 |
| 05                | FRINGE BENEFITS             |                | 58,600.00          | 58,600.00           | 117,200.00 |
| 17                | TOTAL COST                  |                | 433,400.00         | 433,400.00          | 866,800.00 |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                                |             |                |                    |                     |  |
|--------------------------------|-------------|----------------|--------------------|---------------------|--|
| DEPARTMENT: 395                | PROGRAM: 05 | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 3008 |  |
| EXPENDITURE ITEMS              |             | 1ST YEAR COST  | 2ND YEAR COST      | TOTAL               |  |
| 01 PERMANENT POSITION SALARIES |             | 21,300.00      | 21,300.00          | 42,600.00           |  |
| 05 FRINGE BENEFITS             |             | 3,300.00       | 3,300.00           | 6,600.00            |  |
| 17 TOTAL COST                  |             | 24,600.00      | 24,600.00          | 49,200.00           |  |

## DIN 5501: DMV POSTAGE

|                   |                     |                |                    |                     |              |
|-------------------|---------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 05         | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 5501 |              |
| EXPENDITURE ITEMS |                     |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 06                | SUPPLIES & SERVICES |                | 1,056,100.00       | 1,087,800.00        | 2,143,900.00 |
| 17                | TOTAL COST          |                | 1,056,100.00       | 1,087,800.00        | 2,143,900.00 |

**SUMMARY:** The Department requests \$1,056,100 in FY 16 and \$1,087,800 in FY 17 in Appropriate 563, s.20.395 (5)(cq) Wis Stats., to fund increased postage cost.

**DISCUSSION:** The Division of Motor Vehicles (DMV) uses the U.S. Postal Service (USPS) for mailing license plates, registration stickers, renewal notices, vehicle titles and driver licenses. A number of factors have resulted in substantial increased postage costs. Postage rates have risen considerably over the past ten years. For example, the cost of a first class letter has increased 32.4% from \$0.37 in 2004 to \$0.49 in 2014. The USPS now has the authority to increase postage each year by the rate of inflation as measured by the Consumer Price Index. Postage rates are expected to increase 3% each year. DMV has not received a budget increase for postage rates since FY 03.

The increased cost of postage is not the only factor that leads to increased mailing costs. In 2012, the USPS discontinued the non-flat machinable rate, which DMV used to mail license plates to customers. Prior to its discontinuation, the non-flat machinable rate to mail a plate set was \$1.74. DMV began mailing plates with a standard parcel select rate of \$1.79 per set. However, it took a minimum of two weeks for plates to be delivered and the Department received numerous complaints about the wait time. DMV began mailing plates using a first-class commenter rate beginning in May 2012 to address customer concerns. Delivery time for a license plate using the first-class commenter rate is between three and seven days. The number of double plate sets mailed in CY 13 was 180,594. With the postage cost increase of \$0.64, the estimated cost increase is \$115,600 even when using a pre-sort vendor to achieve lower costs.

In addition, the centralization of driver license (DL) and identification card (ID) distribution has led to increased postage costs. DLs and IDs are now processed and mailed centrally rather than at DMV service centers per REAL ID requirements. The 2011-13 biennial budget provided \$2,370,000 in FY 12 and \$2,156,000 in FY 13 to implement REAL ID with \$534,000 and \$570,000 included for postage costs related to central issuance of products. DMV did not start mailing DL and ID products centrally until March 2012, when the Department of Homeland Security issued final REAL ID rules. Postage costs for central issuance are higher than expected as the DMV had to revert to using letters instead of post cards to provide renewal notification for customers due to the stricter requirements put in place by REAL ID.

In an effort to streamline costs, DMV has eliminated some mailings to customers and implemented other cost saving methodologies such as:

- Making more forms available on the internet,
- Using different packing to deliver stickers; and
- Streamlined other mailings

These factors have resulted in a budget deficit for FY 14 and projected deficit in FY 15. In FY 14, total expenditures were \$5,969,245. Table 1 shows the FY 14 costs by postage category.

**TABLE 1. FY 14 Postage Expenses**

| <u>Postage Category</u>                | <u>Per Unit Mailing Rate</u> | <u>Number of Pieces Mailed</u> | <u>FY14 Expenditures</u> |
|--|------------------------------|--------------------------------|--------------------------|
| Certification of Registration/Stickers | \$0.381                      | 3,419,555                      | \$1,380,232              |
| Registration Renewals                  |                              |                                | 1,375,984                |
| <i>Postcards</i>                       | 0.252                        | 4,031,854                      |                          |
| <i>Statements</i>                      | 0.381                        | 1,346,890                      |                          |
| Plates                                 |                              |                                | 1,192,389                |
| <i>Single plate</i>                    | 1.67                         | 30,049                         |                          |
| <i>Double Plate</i>                    | 2.25                         | 335,821                        |                          |
| <i>Cycle Size</i>                      | 0.59                         | 9,272                          |                          |
| Driver License Renewals                | 0.381                        | 510,797                        | 721,900                  |
| Titles                                 | 0.381                        | 390,204                        | 468,596                  |
| Citations and Withdraws                | 0.381                        | 919,040                        | 385,006                  |
| Central Office Administration          |                              |                                | 181,949                  |
| Correspondence                         |                              |                                | 162,943                  |
| Regional Office Administration         |                              |                                | 94,542                   |
| Other                                  |                              |                                | 5,704                    |
| <b>Total</b>                           |                              |                                | <b>\$5,969,245</b>       |

FY 14 expenditures include first-class mailing of plates, central issuance of DLs and IDs, and mailing driver license renewal notices via a letter. Accounting for these changes, expenditures exceeded the budget by \$846,340. In FY 15, rising postage costs are projected to create a shortfall of \$1,025,395. Assuming a continued 3% rise in rates and the postage budget each year of the next biennium, the projected shortfalls will increase to \$1,056,100 in FY 16 and \$1,087,800 in FY 17.

**Table 2. Projected FY 16 and FY 17 Postage Expenses**

| <u>FY</u> | <u>Projected Budget</u> | <u>Projected Expenditures</u> | <u>Shortfall</u> |
|-----------|-------------------------|-------------------------------|------------------|
| 2016      | \$5,276,600             | \$6,332,700                   | \$1,056,100      |
| 2017      | \$5,434,900             | \$6,522,700                   | \$1,087,800      |

The Department is requesting \$1,056,100 in FY 16 and \$1,087,800 in FY 17 to cover the increase in postage costs due to postal rate increases. To mitigate further deficits, DMV will continue to explore more ways to reduce postage costs, such as conducting more business on-line and implementing more cost reductions.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5501

**TOPIC:** Notification of Legal Processing Fees

**DESCRIPTION OF CHANGE:**

The Department requests changing the fee in s.344.15(3), Wis. Stats., from \$4 to \$25 and allowing it to provide notification of legal process to out of state residents using registered or certified mail.

**JUSTIFICATION:**

To pursue legal action as a result of a motor vehicle accident, the court must establish personal jurisdiction over the party being sued which is typically done by physically handing the party a court summons and complaint with a demand for damages. This is considered serving legal process. Section 345.09(1), Wis. Stats., provides that the Secretary of Transportation is legally considered the agent for service of process for nonresidents involved in an accident when the motor vehicle is owned or driven by a nonresident or insured by a nonresident insurer who are not registered to do business in Wisconsin. The Secretary must try and mail the actual notice to the party being sued. The Department requests the ability to use either registered or certified mail to serve process. The option to use certified mail will create several efficiencies both for the Office of General Counsel, which prepares the notifications for nonresidents, as well as the Department's mailroom.

Additionally, s.345.09(2) Wis. Stats., authorizes a \$25 service fee for each nonresident defendant that is served papers. Section 344.15(3), Wis. Stats. which addresses financial responsibility for motor vehicles, authorizes a \$4 processing fee for Wisconsin residents to make an out-of-state resident responsible for injuries sustained in Wisconsin. The Department requests increasing this fee to \$25 to be consistent with the nonresident provision under s.345.09(2), Wis. Stats. The Department also requests the ability to use registered or certified mail for these service of process notifications. The Department anticipates an additional \$2,500 annually from the increased fee.

**DIN 5502: DL/ID CARD ISSUANCE**

|                   |                     |                |                    |                     |              |
|-------------------|---------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 05         | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 5502 |              |
| EXPENDITURE ITEMS |                     |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 06                | SUPPLIES & SERVICES |                | 680,000.00         | 1,020,000.00        | 1,700,000.00 |
| 17                | TOTAL COST          |                | 680,000.00         | 1,020,000.00        | 1,700,000.00 |

**SUMMARY:** The Department requests \$680,000 SEG in FY 16 and \$1,020,000 SEG in FY 17 in Appropriation 563 s.20.395 (5)(cq), Wis. Stats., to fund increased costs for issuing the Wisconsin driver license and identification cards. The Division of Motor Vehicles awarded a new contractor a vendor to redesign the product issuance equipment, interface software, and card product.

**DISCUSSION:** Driver licenses and identification cards (DL/ID) are widely used in the financial, commercial, and retail environments as evidence of identity. Both documents are also used to verify identity for law enforcement purposes and confirm the holder’s eligibility for certain privileges and services. Wisconsin contracts with a vendor to provide the Department with the required hardware (digital camera, printer, computer, and image server), network interface, and card stock. In FY 14, over 1.2 million credentials were issued by the Division of Motor Vehicles.

The existing contract with the vendor providing the current DL/ID system will expire on November 12, 2015. A new contract award will begin in November 2015 and will remain in effect until 2022, with the possibility of three additional one-year extensions. The new contract and services will cost an additional \$680,000 in FY 16 and \$1,020,000 in FY 17 due to the incorporation of additional security features and a general increase in cost over the present contract.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Motor Vehicle Services and Enforcement  
**DIN:** 5502  
**ISSUE TITLE:** Driver License and Identification Card Issuance

**REQUEST:**

The Department requests \$680,000 SEG in FY16 and \$1,020,000 SEG in FY17 in Appropriation 563 s.20.395 (5)(cq), Wis. Stats., to fund increased costs for issuing the Wisconsin driver license and identification cards. The Division of Motor Vehicles is in the process of awarding a new contract to a vendor to redesign the product issuance equipment, interface software, and card product.

**SUMMARY:**

Driver licenses and identification cards (DL/ID) are widely used in the financial, commercial, and retail environments as evidence of identity. Both documents are also used to verify identity for law enforcement purposes and confirm the holder's eligibility for certain privileges and services. Wisconsin began issuing a digital DL/ID in November 1997, which incorporated new technologies of that time to provide for a more secure product. The vendor provides the Department with the required hardware (digital camera, special printer, a dedicated computer, and central image server for storing digital image), software to link the system components and interface with the Division of Motor Vehicles (DMV) driver license system, and appropriate product card stock. In FY 14, it cost approximately \$2.7 million to issue 1.2 million credentials.

The American Association of Motor Vehicle Administrators (AAMVA) developed driver license and identification card standards that enhance document security features, reduce the potential for document tampering and identity theft, and establish consistency between jurisdictions. Wisconsin began issuing REAL ID-compliant products in January 2013. Under the new contract, Wisconsin will have an opportunity to take advantage of the newest technologies in credential production and issuance that will ensure continued compliance with REAL ID and AAMVA requirements.

These requirements provide a standard for the design of DL/IDs issued by states or territories to improve the security and level of interoperability among cards issued. The AAMVA standards include incorporating features within the card that can be easily identified by visual or tactile inspection (first-line inspection), provide second-line inspection features that require examination with the use of a tool or instrument (examples include ultraviolet light, magnifying glass, or scanner), or require examination done at a forensic level. This may include incorporating laser engraving, optically variable features (an image that changes base upon tilting the angle of viewing), using deliberate errors or flaws, ghost imaging, layered printing, or micro optical printing. The intent is to create a standardized DL/ID product that is easily recognizable by customers but also incorporates fraud detection elements that are not known by the general public.

The multi-year contract with the current vendor providing the existing DL/ID system will expire on November 2, 2015, four months into FY 16. A new contract award will begin in November. This will be a seven-year contract, in effect until 2022, with a possibility for three additional one-year extensions. The new, more secure product, will cost an additional \$680,000 in FY 16 and \$1,020,000 in FY 17.

**JUSTIFICATION:**

The existing contract for DL/ID services includes obsolete hardware and software, which has experienced increased downtime, and includes obsolete security features in the current card designs. The DL/ID product issued under the new contract will contain a number of new features. This includes using laser-engraved polycarbonate cardstock with no surface applied printing, which provides greater security, new higher pixel cameras to ensure photos on file are clearer for visual reference, and the ability of customers to track the status of their card during delivery to their home. These new features will provide improved card quality and security and reduce instances of fraud and identity theft.

The cost per issued DL/ID will increase 37% under the new contract for several reasons: 1) the additional security features and updated issuance hardware and supporting software are more costly due to new technologies; and 2) general increased cost over the present contract. The estimated cost per card will increase from \$2.25 per unit to \$3.10 per unit. This increase is comparable to the average cost of new DL/ID contracts in other states that have recently adopted similar additional security features and an upgraded issuance system. A summary of costs from Midwestern states with similar distribution levels as Wisconsin is provided in Table 1.

**Table 1. Comparison of DL/ID Card Cost to Midwestern States**

| <u>State</u> | <u>Per Unit Cost</u> |
|--------------|----------------------|
| IA           | \$3.47               |
| IL           | \$1.95               |
| IN           | \$2.62               |
| MI           | \$4.02               |
| MN           | \$5.35               |

The Department requests \$680,000 SEG in FY16 and \$1,020,000 SEG in FY17 in Appropriation 563, s.20.395 (5)(cq) to produce an enhanced driver licensing product with the additional security features and system upgrades.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5502

**TOPIC:** Driver Safety Improvement Package

**DESCRIPTION OF CHANGE:**

The Department requests the following statutory modifications to increase customer satisfaction and reduce wait times at Division of Motor Vehicle (DMV) field stations by limiting specific statutory requirements and broadening availability of on-line services.

**JUSTIFICATION:**

*Non-Expiring ID Card for Individuals over age 65*

Under current law, an identification card issued by the Department is valid for eight years from the applicant's next birthday, after the date of reissuance. A renewed card is valid for a period of eight years from the card's last expiration date. The Department requests a modification to s. 343.50(5)(b) Wis. Stats., to clarify that identification cards issued to persons over the age of 65 do not expire.

Providing a non-expiring ID card to persons over 65 years of age may increase the number of voluntarily surrendering their driver licenses and giving those individuals the convenience of not having to renew the ID card with the DMV. The Department does not expect any substantial revenue loss as a result of this change. Currently, over 80 percent of ID cards issued by DMV are issued to individuals who are not required to pay the \$18 fee, due to statutory exemptions.

*Eight Year Option for Persons Moving to Wisconsin*

Under current law, an individual that is over 21 years of age, has been licensed in another state for over three years, and moves from out-of-state to Wisconsin is issued an operator's license or Commercial Drivers License (CDL) that expires three years after the person's next birthday. The Department requests a modification to Wisconsin Statutes to allow the Department to issue such licenses for a period of eight-years.

Individuals over 21-years of age who have held a valid operator's license or CDL in another state and move to Wisconsin do not pose a security risk to Wisconsin that warrants the issuance of a limited term license. The proposed changes will assist in improving customer satisfaction with DMV's services by reducing the number of visits a new Wisconsin resident would incur to have their license renewed.

*Alternating In-Person/On-line Renewals*

Under current law, the Department is required to examine every application for the renewal of an operator's license once every 8 years. As part of this examination, the Department is required to conduct an eye sight test. An applicant may waive this requirement by providing a report to DMV of an examination completed by an ophthalmologist, optometrist, or licensed physician, if the exam was made three months prior to the date of the application for an operator's license. The Department requests statutory changes to allow applicants, under the age of 65 years old, to waive the eye exam requirement, once every 16 years when renewing their operator's license on-line.

Based on previous experiences, the Department expects up to 20 percent of eligible recipients to choose this option, which will reduce the number of individuals required to receive their operator's license at a field station and assist in increasing the level of customer satisfaction.

### *Moving License Types On-Line*

Under current law, a person who is at least 15 years and 6 months old may be issued an instructional permit to operate a motor vehicle as part of a motor vehicle course. As part of this course, drivers must pass knowledge, sign, vision, and road tests. New drivers under 18 years of age must have an instructional permit for at least six months before taking a road test, must be conviction free for at least six months prior to application of a probationary license, and have at least 30 hours of driving practice time before a probationary license may be issued.

A probationary license is issued for two years from the licensee's next birthday to new drivers, persons with foreign or international licenses, persons reinstating revoked or canceled probationary licenses, or new residents, surrendering a license expired for more than six months, or with less than three years of driving experience under the age of 21. DMV issues a regular license to individuals who have completed the probationary license period.

The Department is requesting modifications to existing state statutes that would allow an individual moving from an instructional permit to a probationary license or from a probationary license to a regular license, to do so on-line, if the relevant requirements for the next licensing level have been met. The requested change will simplify the application process for new drivers. In addition, the modification will assist in reducing wait times at field stations by reducing the number of individuals required to receive their license products in person.

### **DIN 5503: LICENSE PLATE REPLACEMENT**

|                   |                     |                |                    |                     |              |
|-------------------|---------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 05         | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 5503 |              |
| EXPENDITURE ITEMS |                     |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 06                | SUPPLIES & SERVICES |                | 1,600,000.00       | 1,600,000.00        | 3,200,000.00 |
| 17                | TOTAL COST          |                | 1,600,000.00       | 1,600,000.00        | 3,200,000.00 |

**SUMMARY:** The Department requests \$1,600,000 SEG in FY 16 and \$1,600,000 SEG in FY 17 in Appropriation 563 s.20.395 (5)(cq), Wis. Stats. to establish a reissuance cycle to replace aging license plates.

**DISCUSSION:** The Division of Motor Vehicles (DMV) is responsible for ordering, stocking, packaging, and distributing license plates for vehicles registered in Wisconsin. The existing auto and light truck license plate was last reissued in 2000 and the plates are replaced on a limited and ad hoc basis. It is estimated that over 20% of the auto and 23% of the light truck plates issued in calendar year 2000 are still being utilized and their readability has begun to diminish. The American Association of Motor Vehicle Administrators recommends states remove older plates from circulation after 10 years as a standard, due to the loss of a plate's reflectivity and fading of print. The lost reflectivity and faded print make the license plates difficult for law enforcement and other enforcement agencies to read.

Current license plate program expenditures include the cost of a limited amount of plate production, issuing the plates to customers requesting them, and periodic replacement of plates to service centers. Currently, there is no base budget for a comprehensive replacement cycle. The proposed initiative would provide base funding to allow the replacement of up to 260,000 auto and light truck plates and up to 40,000 non-auto and light truck plates each year. Under this initiative the Department anticipates that it will be able to completely replace one year's worth of the oldest license plates annually.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Motor Vehicle Services and Enforcement

**DIN:** 5503

**ISSUE TITLE:** License Plate Replacement

**REQUEST:**

The Department requests \$1,600,000 SEG in FY 16 and \$1,600,000 SEG in FY 17 in Appropriation 563 s.20.395 (5)(cq), Wis. Stats. to establish a reissuance cycle to replace aging license plates.

**SUMMARY:**

The Division of Motor Vehicles (DMV) is responsible for ordering, stocking, packaging and distributing license plates. It is estimated that over 20% of Wisconsin's auto and 23% of light truck plates issued in 2000 are still being utilized and their readability has begun to diminish. The department requests funding to create a predictable replacement cycle for license plates, stabilizing the current license plate program by allowing the reissuance of new plates for the state's oldest plates.

**JUSTIFICATION:**

1999 Wisconsin Act 9 mandated a five-year license plate reissuance cycle for auto, auto-look plates and some special group plates. The Department was to begin reissuing auto and light truck plates with a modified design in July 2000. As a cost saving measure, 2001 Wisconsin Act 16, the replacement (rebase) program of auto plates was extended to a seven year period, beginning in July 2007. In 2009 Act 28, the requirement for the Department to replace license plates by a particular date was eliminated. Since that time, the timing for reissuance has been generally determined by the age of plates within the fleet, general condition of those plates, and available funding.

The American Association of Motor Vehicle Administrators recommends state's remove older plates from circulation after 10 years as a standard, due to loss of a plate's reflectivity and fading of print. The lost reflectivity and faded print make the license plates difficult for law and other enforcement agencies to read. Between calendar years 2000 and 2005, DMV issued 5,474,291 auto and light truck license plates. It is estimated that about 30% of these license plates are still in use. Table 1 below, provides a summary of the estimated number of plates still being utilized between 2000 and 2005.

| <b>Year Issued</b> | <b>Type</b> | <b>Number of Plates Issued</b> | <b>Estimated Number Still in Use</b> | <b>% In Use</b> |
|--------------------|-------------|--------------------------------|--------------------------------------|-----------------|
| 2000               | AUT         | 762,794                        | 157,000                              | 20.6%           |
| 2000               | LTK         | 249,621                        | 59,442                               | 23.8%           |
| 2001               | AUT         | 742,513                        | 222,027                              | 29.9%           |
| 2001               | LTK         | 244,600                        | 71,809                               | 29.4%           |
| 2002               | AUT         | 940,036                        | 302,032                              | 32.1%           |
| 2002               | LTK         | 175,170                        | 48,706                               | 27.8%           |
| 2003               | AUT         | 701,519                        | 213,278                              | 30.4%           |
| 2003               | LTK         | 153,846                        | 49,354                               | 32.1%           |
| 2004               | AUT         | 633,346                        | 219,276                              | 34.6%           |
| 2004               | LTK         | 161,742                        | 56,376                               | 34.9%           |
| 2005               | AUT         | 559,409                        | 174,512                              | 31.2%           |
| 2005               | LTK         | 149,695                        | 59,990                               | 40.1%           |

The cost of the license plate program is based on the cost of issuing plates to customers requesting them and on the periodic replacement of plates to services centers. There is no base budget for a comprehensive replacement cycle. Usage patterns over several years are used to project needs. It is projected that in order to stabilize the aging of Wisconsin's license plates, the Department will need to replace approximately 160,000 auto and 80,000 light truck plates each year. In addition, non auto and light truck plates will be reissued on a case by case basis. Badger State Industries (BSI) provides for all of the Department's license plate production.

The cost of plate production is shown in Table 2:

**Table 2. Production Cost of License Plates**

|                   |                |
|-------------------|----------------|
| BSI Plate         | \$ 2.85        |
| BSI Sticker       | 0.12           |
| Postage           | 2.26           |
| Mail Sorting Fee  | 0.25           |
| <b>TOTAL COST</b> | <b>\$ 5.48</b> |

The Department requests \$1,600,000 SEG in FY 16 and FY 17 to establish a base that will stabilize the age of the oldest plates in Wisconsin's auto and light truck inventory. The initiative would allow for the replacement of up to 260,000 auto and light truck plates and up to 40,000 non-auto and light truck plates each year. Under this replacement cycle, the Department anticipates being able to completely replace one year's worth of the oldest license plates annually.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5503

**TOPIC:** Alternative Registration Program

**DESCRIPTION OF CHANGE:**

The Department request modifications to s. 341.26(2m) and s.341.14(3), Wis. Stats., to allow for the Department to issue undercover registrations for publicly owned vehicles that are used to engage in confidential, investigative, or undercover law enforcement work. A simulated license plate and registration will show fictitious names and addresses on all department records subject to public disclosure.

**JUSTIFICATION:**

Under current law, the Division of Motor Vehicles (DMV) may issue a registration plate for any vehicle owned or leased by the state, a county, municipality, or federally recognized Indian tribe or band in the state. The vehicle registration is valid while the vehicle is owned and operated by the governmental body.

DMV must issue the same type of registration plate for a vehicle owned by the federal government, the state, a county or municipality or Indian tribe or band, if requested by the agency and the vehicle is to be used for law enforcement work. While the DMV administers a program to issue vehicle license plates and registrations as defined in law, these statutes do not directly address simulated registration records for law enforcement purposes.

DMV has issued approximately 2,000 license plates and registrations for undercover law enforcement activities since the program started. The requested changes will allow for the continuation of this program.

## **DIN 5504: DMV SYSTEM MODERNIZATION**

|                   |                     |                |                    |                     |              |
|-------------------|---------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 05         | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 5504 |              |
| EXPENDITURE ITEMS |                     |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 06                | SUPPLIES & SERVICES |                | 500,000.00         | 5,000,000.00        | 5,500,000.00 |
| 17                | TOTAL COST          |                | 500,000.00         | 5,000,000.00        | 5,500,000.00 |

**SUMMARY:** The Department requests \$500,000 SEG in FY 16 and \$5,000,000 SEG in FY 17 to replace and modernize the Division of Motor Vehicles processing systems.

**DISCUSSION:** The Division of Motor Vehicles (DMV) provides Wisconsin residents with driver and vehicle services, including driver licensing, vehicle registration and updates, title transfers, and driver record updates. These rely heavily on information technology and services are processed using 163 different applications and systems. The Department recently worked with a private consulting firm to develop a plan for implementing new technology that would support the long-term operational needs of DMV's operations. The assessment of DMV's current systems determined that approximately 72 percent of the existing applications are at risk of failure.

The Department's continued reliance on these aging systems has made upgrades and enhancements difficult and time consuming to implement. In addition, the existing system is a patchwork of applications that impedes the implementation of user requested modifications or legislative actions. The inflexibility of the existing system has resulted in increased maintenance costs and the inability to process system changes in a timely manner.

With the implementation of a replacement system, the Department anticipates savings in three general areas: a reduction in on-going maintenance costs; greater efficiency and decreased time to implement requested changes; and increased efficiency in processing customer requests. DMV's IT systems are very complex and provide customized and specialized services to an increasing variety and number of customers. An integrated system will result in less instability, greater data integration and more efficient customer service.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Motor Vehicle Services and Enforcement

**DIN:** 5504

**ISSUE TITLE:** System Modernization

**REQUEST:**

The Department requests \$500,000 SEG in FY 16 and \$5,000,000 SEG in FY 17 to replace and modernize the Division of Motor Vehicle's processing systems.

**SUMMARY:**

The Division of Motor Vehicles (DMV) provides Wisconsin residents with driver and vehicle services including driver licensing, vehicle registration and updates, title transfers, and driver record updates. These services are processed using 163 different information technology (IT) applications. The majority of these systems are outdated, using programming languages and technologies that are no longer utilized and difficult to maintain.

Recently, DMV worked with a private consulting firm to assess the division's current information technology systems. The nine-month project analyzed existing business processes, researched best practices, and reviewed customer preferences and other technological advances. The study concluded that DMV's existing systems are in need for large scale system reengineering, modernization and replacement.

DMV's IT systems are very complex and provide customized and specialized services to an increasing variety and number of customers. Consequently, the Department requests \$500,000 SEG in FY 16 and \$5,000,000 SEG in FY 17 to replace the existing patchwork of IT systems with a commercial system. It is estimated that the total project cost will be approximately \$50,000,000 based on similar replacements at other states. Also, it is anticipated that the project will take five to seven years to complete, with payment for the system's implementation occurring over a ten-year period.

**JUSTIFICATION:**

DMV provides a wide range of driver, vehicle, data and consumer complaint services to nearly every Wisconsin resident aged 16 years and older. These services include providing driver licenses, photo ID cards, and vehicle licenses and registrations. These services are heavily dependent upon DMV IT systems and the maintenance of large databases. Automated systems allow DMV to meet continually expanding customer needs while maintaining existing staffing levels. The modernization of these systems is necessary for DMV to be able to continue meeting customer needs and legislative demands.

Between September 2012 and February 2013, the Department worked with a private consulting firm to develop a plan for implementing new technology that would support the long-term operational needs of DMV. This project performed an assessment of the existing IT systems, identified future requirements, and developed a strategy and implementation plan. The assessment determined that 117 of DMV's 163 applications are at risk of failure. For example, the review cited the following:

- Nine of the applications were built in the 1980s and written in Assembler or 3270 language, computer languages that are substantially at risk of failure and are difficult to maintain by Department staff and outside consultant IT specialists. Some systems, such as the Financial Management, Agent Management and Examiner Identification Systems, and MICE (automated correspondence system) are considered to be at the end of their useful life and have limited or no IT support.

- 67 applications were written in CA-Gen, the primary software development tool used by DMV. This tool, developed in the 1980s, is a very structured approach for software development but is no longer considered a modern development tool. Due to the tool's age, DMV has experienced difficulties in finding and retaining qualified technicians with the necessary knowledge to maintain the system.
- 45 applications use outdated and unsupported versions of Microsoft desktop technologies, such as Word, Access, and Visual Basic. These applications are not scalable or maintainable for the broad scope of DMV's existing system needs.

The existing IT systems are outdated leaving DMV with a collection of systems that can make it difficult to serve customers, have increased costs to maintain, and are at risk of a catastrophic failure. The system has already experienced numerous outages that have impaired DMV's ability to provide services to customers.

The Department's continued reliance on these aging systems has made upgrades and enhancements time consuming and difficult to implement. For example, upgrades to core software programs such as Microsoft Windows and Office were significantly delayed due to compatibility issues with the existing Bureau of Vehicle Services correspondence system. The necessary upgrades required several additional months to develop, test, install workarounds, and create patches to the correspondence system. The Department is at risk of this system being unusable with any future upgrades.

In addition, the existing IT system is a patchwork of applications that impede the implementation of user requested modifications or legislative actions. To make changes to the existing system, a programmer has to have extensive insight into the organization of the entire system because a minor change to one application could impact the operation of several other, non-related applications. This inflexibility results in increased cost for each legislative change and reduces DMV's ability to implement changes in a timely manner. For example:

- In 2012, legislation was passed that required a person to attend a vehicle right-of-way course for a failure to yield violation to avoid suspension of their driver's license. The required changes to DMV's systems took over seven months to complete and the project cost over \$120,000, due to the inflexible nature of the system.
- Recent federal legislation required DMV to implement changes to the commercial driver's license (CDL) program between 2012 and 2015. The legislation changed requirements for receivers and maintaining a CDL, which impacted issuance, exam requirements, and communication with the national CDL database. Each of the required changes was coded separately through three distinct projects. The project's cost approximately \$1,037,000 and took over two years to implement.
- In 2010, state legislative changes to penalties for operating while intoxicated convictions required seven months to implement at a cost of over \$320,000. The legislation changed the associated fees and time tables of suspensions and convictions, as well as increased the use of ignition-interlock devices.
- In 2011, legislation was enacted to create a new oversize/overweight permit for sealed containers, farm and field products. Due to the nature of the existing system, these changes required the rebuilding of the permit issuance system at an approximate cost of \$165,000.

With the installation of a replacement IT system, the Department anticipates savings in three general areas. The first is the ability to implement legislatively mandated changes at a reduced cost and with greater efficiency due to the level of flexibility provided by a newer integrated system. In addition, it is anticipated that a more modern system will increase the efficiency of DMV's processes. The new system will enable more self-service options for customers, allow the electronic transmission of paper only documents, facilitate automated data capture, and increase the efficiency and productivity of the processors. Finally, in other states where similar systems have been installed, overall maintenance costs are lower than the Department's existing costs.

A new system will also provide other benefits, such as:

- Create a data warehouse that can be used for queries and reports. For example, under the existing system DMV staff is not able to access a full view of a customer's transactions with the DMV. The proposed system would be capable of reaching into existing database records and presenting a unified (360 degree) view of all DMV interactions with each customer. The system would be able to provide historical transaction images, customer identifier information and driver's history records, enabling the customer and DMV staff to have a comprehensive view of the customer's information and needs. This cohesive system will provide DMV staff with a better understanding of their customer's needs, alerting them to potential issues and increasing their efficiency in providing services.
- Integrate internal system and external vendor and/or partner systems. For example, the system could provide a real-time interface that allows courts or municipalities to send real-time data to DMV and receive real-time data transmission messages that communicate whether or not their transaction was successfully processed by DMV. Currently, the file received is processed via a batch program but no acknowledgement of successful processing or error records is provided to the sender by DMV's system.
- Increase staff efficiencies and customer experience outcomes. For example the new system will reduce the number of log-ins required for the DMV staff to access multiple systems. The new system will deploy one logon screen, which will automatically login to the applications that the processor can access during the day, without having to provide a different set of login credential for each application.

DMV's IT systems are very complex and provide customized and specialized services to an increasing variety and number of customers. Consequently, the Department requests \$500,000 SEG in FY 16 and \$5,000,000 SEG in FY 17 to replace the existing patchwork of IT systems with a commercial system. It is estimated that the total project cost will be approximately \$50,000,000 based on similar replacements at other state agencies in Wisconsin and other state departments of transportation. A complete replacement, similar to what has been accomplished in other states, would not require the integration of as many different vendor components and will have less risk of instability associated with integration. In addition, a whole solution approach would allow the vendor to provide any necessary upgrades and enhancements as part of their support operations. It is anticipated that the project will take five to seven years to complete with payment for the system's implementation occurring over a ten-year period.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5504

**TOPIC:** Authorization to Collect Odometer Data at Vehicle Registration

**DESCRIPTION OF CHANGE:**

Modify s. 341.08, Wis Stats., to give the Department the authority to collect odometer data as part of the vehicle registration and re-registration. The requested change would be permissive, specifying that the Department “may” collect this information, not requiring that it “shall” collect it.

**JUSTIFICATION:**

This request would enable the Department to collect information on number of miles driven by Wisconsin vehicle operators to evaluate the policy issues and revenue generation potential of a vehicle miles traveled (VMT) registration fee. In 2012 the Wisconsin Transportation Finance and Policy Commission (TFPC) explored options to generate transportation revenue based on VMT. In general, this methodology would assess a fee based on the number of miles a car or truck is driven, since this represents that vehicle’s use of highway system resources. VMT options are being discussed nationally to address declining transportation revenues due to more fuel efficient vehicles and lower per capita miles traveled. However, only limited Wisconsin-specific per vehicle travel data is available.

In its January 2013 report “Keep Wisconsin Moving” the TFPC recommended the state consider the option of a “low tech” VMT-based fee system that would use periodic odometer readings to track miles driven. The Commission’s recommendation also included mitigating strategies to address concerns of high mileage drivers and miles driven out of state.

No decision has been made to develop a VMT-based fee system. Providing permissive authority to collect odometer information will enable the Department to better analyze the feasibility and challenges associated with a mileage based user fee.

**DIN 5505: NEW REVENUE IMPLEMENTATION COSTS**

|                   |                             |                |                    |                     |  |
|-------------------|-----------------------------|----------------|--------------------|---------------------|--|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 5505 |  |
| EXPENDITURE ITEMS |                             | 1ST YEAR COST  | 2ND YEAR COST      | TOTAL               |  |
| 01                | PERMANENT POSITION SALARIES | 35,400.00      | .00                | 35,400.00           |  |
| 04                | LTE/MISC. SALARIES          | 332,000.00     | 144,500.00         | 476,500.00          |  |
| 05                | FRINGE BENEFITS             | 27,200.00      | 11,100.00          | 38,300.00           |  |
| 06                | SUPPLIES & SERVICES         | 265,700.00     | 34,400.00          | 300,100.00          |  |
| 17                | TOTAL COST                  | 660,300.00     | 190,000.00         | 850,300.00          |  |

**SUMMARY:** The Department requests the following increases in Appropriation 563 s.20.395 (5)(cq), Wis. Stats., for implementation costs related to several revenue initiatives:

|                         | <u>FY 16</u>  | <u>FY 17</u> |
|-------------------------|---------------|--------------|
| Additional Postage      | \$17,200      | \$34,400     |
| IT System Modifications | 248,500       | 0            |
| LTE Support             | 357,400       | 155,600      |
| Additional Overtime     | <u>37,200</u> | <u>0</u>     |
| Total Funding           | \$660,300     | \$190,000    |

**DISCUSSION:** Wisconsin is faced with significant transportation challenges in the coming biennium. Under current-law revenues, the Transportation Fund is projecting a \$300 million structural deficit at the end of the 2015-17 biennium. This deficit does not include funding for new initiatives or sufficient funding to keep highway projects on schedule. The Wisconsin Transportation Finance and Policy Commission found that the Department needed additional revenue even to meet future additional needs. In the longer term, the Commission found that without additional funding over the next decade state highway network conditions and safety will deteriorate, and department services to individuals and businesses that rely on those services will be negatively impacted. To meet the growing needs of the transportation system, the Department is proposing a number of new revenue initiatives that broaden the base of transportation funding and have the potential for revenue growth over time.

The Division of Motor Vehicles (DMV) will be responsible for implementing the following initiatives: Highway Use Fee, Hybrid/Electric Vehicle Fee and Diesel Passenger Vehicle Registration Credit. DMV will have the following implementation costs:

*Postage Costs*

DMV anticipates additional postage costs from both the Hybrid/Electric Fee and Diesel Vehicle Registration Credit. DMV will not be able to send renewal notifications to these customers using a traditional postcard notification; a letter-sized statement will be required. This will generate additional costs both for increased postage costs, handling fees, and materials.

- Hybrid and Electric Fee: \$16,100 in additional annual costs. Only half of this will be required in FY 16.
- Diesel Credit: \$18,300 in additional annual costs. Only half of this will be required in FY 16.

### *IT System Modifications*

Several changes will be required in DMV IT systems to develop the mechanisms to charge and collect the additional fees:

- \$103,600 for the Hybrid/Electric Fee and Diesel Credit. This effort includes creating a new fee code and new fee calculation to be based on fuel type as coded in the Vehicle Identification Number. These two fees can be implemented simultaneously.
- \$144,900 for the Highway Use Fee. This effort includes modifying existing motor vehicle database to store each vehicle MSRP, fee amount, and exemption code of the vehicle is not subject to the fee. There will also need to be significant modifications made to the Department's third party interface and eMV11 to incorporate the calculation of the fee.

### *Staffing*

DMV anticipates needing several LTEs during the initial implementation of the new fees. These needs will not continue past the 2015-17 biennium:

- One Transportation Customer Service Representative-Senior (TCR) to handle the increase in public contacts regarding the Hybrid/Electric Fee and Diesel Credit in FY 16 and FY 17.
- Highway Use Fee:
  - 4.0 TCR-Adv LTEs for 520 hours each in FY 16 for motor vehicle dealer and third party processor outreach and education.
  - 1.0 TCR-Adv LTE in FY 16 and FY 17 to handle increased dealer and third party processor contacts.
  - 2.0 TCR-Adv LTEs in FY 16 and FY 17 to handle general public contacts.
  - 4.0 TCR-Adv LTEs in FY 16 for system testing and IT implementation efforts.

DMV will also require 960 hours of additional overtime funding for primary business experts to test and verify system changes for the Highway Use Fee.

| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT                              | CODES        | TITLES                                       | DECISION ITEM<br><br>NUMERIC APPN. | CODES                      | TITLES   | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br><b>B-10</b><br>PAGE <u>1</u> |             |                    |                           |         |    |
|---|--------------|--|------------------------------------|----------------------------|--|---|-------------|--------------------|---------------------------|---------|----|
|   | 395          | Transportation                               |                                    | 5505                       | New Revenue Implementation Costs   |   |             |                    |                           |         |    |
|   | 05           | Mtr Vehicle Services & Enforcement           |                                    |                            |  |   |             |                    |                           |         |    |
|   | 03           | Vehicle Registration and Driver<br>Licensing |                                    | 63                         | Vehicle registr., inspection & maint.,<br>driver licensing and aircraft<br>registration, state funds |   |             |                    |                           |         |    |
| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal<br>P-Project L-LTE |              |  |                                    |                            |  |   |             |                    |                           |         |    |
| Pos.<br>Type*   | CLASS TITLES | SCHED.<br>AND<br>RANGE                       | FTE<br>Monthly<br>Salary<br>Cost   | NUMBER OF<br>FTE POSITIONS |  | SALARY COSTS  |             | POSITION<br>NUMBER | Position<br>Term.<br>Date | REMARKS |    |
|   |              |  |                                    | 1st<br>Year                | 2nd<br>Year  | 1st<br>Year   | 2nd<br>Year |                    |                           |         |    |
| 01  | L            | TRANSPR CUSTOMER REP-SENIOR                  | 02-11                              | 2,671                      | 1.00   | 1.00  | 32,055      | 32,055             |                           |         | 01 |
| 02  | L            | TRANSPR CUSTOMER REP-ADV                     | 02-13                              | 3,124                      | 4.00   | 0.00  | 37,490      | 0                  |                           |         | 02 |
| 03  | L            | TRANSPR CUSTOMER REP-ADV                     | 02-13                              | 3,124                      | 3.00   | 3.00  | 112,470     | 112,470            |                           |         | 03 |
| 04  | L            | TRANSPR CUSTOMER REP-ADV                     | 02-13                              | 3,124                      | 4.00   | 0.00  | 149,960     | 0                  |                           |         | 04 |
| 05  |              |  |                                    |                            |  |   |             |                    |                           |         | 05 |
| 06  |              |  |                                    |                            |  |   |             |                    |                           |         | 06 |
| 07  |              |  |                                    |                            |  |   |             |                    |                           |         | 07 |
| 08  |              |  |                                    |                            |  |   |             |                    |                           |         | 08 |
| 09  |              |  |                                    |                            |  |   |             |                    |                           |         | 09 |
| 10  |              |  |                                    |                            |  |   |             |                    |                           |         | 10 |
| 11  |              |  |                                    |                            |  |   |             |                    |                           |         | 11 |
| 12  |              | SALARIES                                     |                                    |                            | 12.00  | 4.00  | 331,974     | 144,525            |                           |         | 12 |
| 13  |              | FRINGE (7.65%)                               |                                    |                            |  |   | 25,396      | 11,056             |                           |         | 13 |
| 14  |              | TOTAL SALARIES & FRINGE                      |                                    |                            |  |   | 357,370     | 155,581            |                           |         | 14 |
| 15  |              |  |                                    |                            |  |   |             |                    |                           |         | 15 |
| 16  |              |  |                                    |                            |  |   |             |                    |                           |         | 16 |
| 17  |              |  |                                    |                            |  |   |             |                    |                           |         | 17 |
| 18  |              |  |                                    |                            |  |   |             |                    |                           |         | 18 |
| 19  |              |  |                                    |                            |  |   |             |                    |                           |         | 19 |
| 20  |              |  |                                    |                            |  |   |             |                    |                           |         | 20 |
| 21  |              |  |                                    |                            |  |   |             |                    |                           |         | 21 |
| 22  |              |  |                                    |                            |  |   |             |                    |                           |         | 22 |
| 23  |              |  |                                    |                            |  |   |             |                    |                           |         | 23 |
| 24  |              |  |                                    |                            |  |   |             |                    |                           |         | 24 |
| 25  |              |  |                                    |                            |  |   |             |                    |                           |         | 25 |
| 26  |              |  |                                    |                            |  |   |             |                    |                           |         | 26 |
| 27  |              |  |                                    |                            |  |   |             |                    |                           |         | 27 |
| 28  |              |  |                                    |                            |  |   |             |                    |                           |         | 28 |
| 29  |              |  |                                    |                            |  |   |             |                    |                           |         | 29 |
| 30  |              |  |                                    |                            |  |   |             |                    |                           |         | 30 |
| 31  |              |  |                                    |                            |  |   |             |                    |                           |         | 31 |
| 32  |              |  |                                    |                            |  |   |             |                    |                           |         | 32 |
| 33  |              |  |                                    |                            |  |   |             |                    |                           |         | 33 |

**DIN 6010: CRASH DATABASE REORGANIZATION**

|                   |                                |                |                    |                     |             |
|-------------------|--------------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 05                    | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 6010 |             |
| EXPENDITURE ITEMS |                                |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 01                | PERMANENT POSITION SALARIES    |                | 258,300.00-        | 258,300.00-         | 516,600.00- |
| 05                | FRINGE BENEFITS                |                | 117,000.00-        | 117,000.00-         | 234,000.00- |
| 06                | SUPPLIES & SERVICES            |                | 500.00-            | 500.00-             | 1,000.00-   |
| 17                | TOTAL COST                     |                | 375,800.00-        | 375,800.00-         | 751,600.00- |
| 19                | CLASSIFIED POSITIONS AUTHORIZE |                | 7.30-              | 7.30-               |             |

**See Decision Item 6010-Appropriation 562 for an explanation.**

| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT | CODES | TITLES                                    | DECISION ITEM<br><br>NUMERIC APPN. | CODES | TITLES   | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br>B-10<br>PAGE 1 |  |
|--|-------|---|------------------------------------|-------|--|---|--|
|  | 395   | Transportation                            |                                    | 6010  | Crash Database Reorg   |   |  |
|  | 05    | Mtr Vehicle Services & Enforcement        |                                    |       |  |   |  |
|  | 03    | Vehicle Registration and Driver Licensing |                                    | 63    | Vehicle registr., inspection & maint., driver licensing and aircraft registration, state funds |   |  |

| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal P-Project L-LTE |              |                              |                         |                         |          |              |           |                 |                     |         |                     |    |
|--|--------------|------------------------------|-------------------------|-------------------------|----------|--------------|-----------|-----------------|---------------------|---------|---------------------|----|
| Pos. Type*   | CLASS TITLES | SCHED. AND RANGE             | FTE Monthly Salary Cost | NUMBER OF FTE POSITIONS |          | SALARY COSTS |           | POSITION NUMBER | Position Term. Date | REMARKS |                     |    |
|  |              |                              |                         | 1st Year                | 2nd Year | 1st Year     | 2nd Year  |                 |                     |         |                     |    |
| 01   | C            | TRANSPR CUSTOMER REP-SENIOR  | 02-11                   | 2,671                   | (1.00)   | (1.00)       | (32,055)  | (32,055)        | 009700              |         | Vacant (Ganser)     | 01 |
| 02   | C            | TRANSPR CUSTOMER REP-SENIOR  | 02-11                   | 3,757                   | (1.00)   | (1.00)       | (45,084)  | (45,084)        | 017189              |         | Curtis, Jesse R     | 02 |
| 03   | C            | TRANSPR CUSTOMER REP-SENIOR  | 02-11                   | 2,926                   | (1.00)   | (1.00)       | (35,108)  | (35,108)        | 018632              |         | Wesolowski, Douglas | 03 |
| 04   | C            | TRANSPR CUSTOMER REP         | 02-10                   | 3,320                   | (0.70)   | (0.70)       | (27,890)  | (27,890)        | 037633              |         | Vacant (Stephen)    | 04 |
| 05   | C            | TRANSPR CUSTOMER REP-SENIOR  | 02-11                   | 2,671                   | (1.00)   | (1.00)       | (32,055)  | (32,055)        | 037745              |         | Wilson, Tami K      | 05 |
| 06   | C            | OPERATIONS PROGRAM ASSOCIATE | 02-11                   | 3,052                   | (0.60)   | (0.60)       | (21,974)  | (21,974)        | 308186              |         | Stary, Scott A      | 06 |
| 07   | C            | OPERATIONS PROGRAM ASSOCIATE | 02-11                   | 2,671                   | (1.00)   | (1.00)       | (32,055)  | (32,055)        | 312748              |         | Richter, Rita M     | 07 |
| 08   | C            | TRANSPR CUSTOMER REP-SENIOR  | 02-11                   | 2,671                   | (1.00)   | (1.00)       | (32,055)  | (32,055)        | 313102              |         | Vacant (Ramos)      | 08 |
| 09   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 09 |
| 10   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 10 |
| 11   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 11 |
| 12   |              | SALARIES                     |                         |                         | (7.30)   | (7.30)       | (258,275) | (258,275)       |                     |         |                     | 12 |
| 13   |              | FRINGE (45.31%)              |                         |                         |          |              | (117,024) | (117,024)       |                     |         |                     | 13 |
| 14   |              | TOTAL SALARIES & FRINGE      |                         |                         |          |              | (375,299) | (375,299)       |                     |         |                     | 14 |
| 15   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 15 |
| 16   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 16 |
| 17   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 17 |
| 18   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 18 |
| 19   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 19 |
| 20   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 20 |
| 21   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 21 |
| 22   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 22 |
| 23   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 23 |
| 24   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 24 |
| 25   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 25 |
| 26   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 26 |
| 27   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 27 |
| 28   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 28 |
| 29   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 29 |
| 30   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 30 |
| 31   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 31 |
| 32   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 32 |
| 33   |              |                              |                         |                         |          |              |           |                 |                     |         |                     | 33 |

**DIN 6020: OVERSIZE/OVERWEIGHT PERMITTING REORGANIZATION**

|                   |                                |                |                    |                     |               |
|-------------------|--------------------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 05                    | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 6020 |               |
| EXPENDITURE ITEMS |                                |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 01                | PERMANENT POSITION SALARIES    |                | 409,700.00-        | 409,700.00-         | 819,400.00-   |
| 05                | FRINGE BENEFITS                |                | 185,700.00-        | 185,700.00-         | 371,400.00-   |
| 06                | SUPPLIES & SERVICES            |                | 210,300.00-        | 210,300.00-         | 420,600.00-   |
| 17                | TOTAL COST                     |                | 805,700.00-        | 805,700.00-         | 1,611,400.00- |
| 19                | CLASSIFIED POSITIONS AUTHORIZE |                | 9.00-              | 9.00-               |               |

**See Decision Item 6020-Appropriation 961 for an explanation.**

|  |       |  |                                    |       |  |   |
|--|-------|--|------------------------------------|-------|--|---|
| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT | CODES | TITLES                                       | DECISION ITEM<br><br>NUMERIC APPN. | CODES | TITLES   | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br><b>B-10</b><br>PAGE <u>1</u> |
|  | 395   | Transportation                               |                                    | 6020  | OSOW Permitting Reorg  |   |
|  | 05    | Mtr Vehicle Services & Enforcement           |                                    |       |  |   |
|  | 03    | Vehicle Registration and Driver<br>Licensing |                                    | 63    | Vehicle registr., inspection & maint.,<br>driver licensing and aircraft<br>registration, state funds |   |

| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal<br>P-Project L-LTE |              |                                |                                  |                            |             |              |             |                    |                           |                    |    |
|---|--------------|--------------------------------|----------------------------------|----------------------------|-------------|--------------|-------------|--------------------|---------------------------|--------------------|----|
| Pos.<br>Type*   | CLASS TITLES | SCHED.<br>AND<br>RANGE         | FTE<br>Monthly<br>Salary<br>Cost | NUMBER OF<br>FTE POSITIONS |             | SALARY COSTS |             | POSITION<br>NUMBER | Position<br>Term.<br>Date | REMARKS            |    |
|   |              |                                |                                  | 1st<br>Year                | 2nd<br>Year | 1st<br>Year  | 2nd<br>Year |                    |                           |                    |    |
| 01  | C            | DOT PROGRAM CHIEF              | 81-02                            | 6,092                      | (1.00)      | (1.00)       | (73,100)    | (73,100)           | 002874                    | Nichols, Kathleen  | 01 |
| 02  | C            | DOT SUPERVISOR                 | 81-03                            | 4,858                      | (1.00)      | (1.00)       | (58,298)    | (58,298)           | 302931                    | Ishmael, Gary P    | 02 |
| 03  | C            | MOTOR VEHICLE PROGRAM SPEC-SEN | 07-04                            | 3,895                      | (1.00)      | (1.00)       | (46,738)    | (46,738)           | 003237                    | Lalor, Edward R    | 03 |
| 04  | C            | TRANSPR CUST REP-ADVANCED      | 02-13                            | 3,124                      | (1.00)      | (1.00)       | (37,490)    | (37,490)           | 010841                    | Prentice, Cindy S  | 04 |
| 05  | C            | TRANSPR CUST REP-ADVANCED      | 02-13                            | 3,308                      | (1.00)      | (1.00)       | (39,701)    | (39,701)           | 017503                    | Krone, Kendra M    | 05 |
| 06  | C            | TRANSPR CUST REP-ADVANCED      | 02-13                            | 3,429                      | (1.00)      | (1.00)       | (41,153)    | (41,153)           | 022625                    | Meier, Janice J    | 06 |
| 07  | C            | TRANSPR CUST REP-ADVANCED      | 02-13                            | 3,640                      | (1.00)      | (1.00)       | (43,684)    | (43,684)           | 306123                    | Sittler, Cindy S   | 07 |
| 08  | C            | TRANSPR CUST REP-ADVANCED      | 02-13                            | 3,124                      | (1.00)      | (1.00)       | (37,490)    | (37,490)           | 321341                    | Schwandt, Kathleen | 08 |
| 09  | C            | TRANSPR CUST REP-SENIOR        | 02-11                            | 2,671                      | (1.00)      | (1.00)       | (32,055)    | (32,055)           | 306122                    | Hobbs, Roger R     | 09 |
| 10  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 10 |
| 11  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 11 |
| 12  |              | SALARIES                       |                                  |                            | (9.00)      | (9.00)       | (409,708)   | (409,708)          |                           |                    | 12 |
| 13  |              | FRINGE (45.31%)                |                                  |                            |             |              | (185,639)   | (185,639)          |                           |                    | 13 |
| 14  |              | TOTAL SALARIES & FRINGE        |                                  |                            |             |              | (595,347)   | (595,347)          |                           |                    | 14 |
| 15  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 15 |
| 16  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 16 |
| 17  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 17 |
| 18  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 18 |
| 19  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 19 |
| 20  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 20 |
| 21  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 21 |
| 22  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 22 |
| 23  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 23 |
| 24  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 24 |
| 25  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 25 |
| 26  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 26 |
| 27  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 27 |
| 28  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 28 |
| 29  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 29 |
| 30  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 30 |
| 31  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 31 |
| 32  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 32 |
| 33  |              |                                |                                  |                            |             |              |             |                    |                           |                    | 33 |

**DIN 6030: TRAFFIC COUNTING POSITIONS**

|                   |                                |                |                    |                     |            |
|-------------------|--------------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 05                    | SUBPROGRAM: 03 | APPROPRIATION: 563 | DECISION ITEM: 6030 |            |
| EXPENDITURE ITEMS |                                |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01                | PERMANENT POSITION SALARIES    |                | 29,000.00-         | 29,000.00-          | 58,000.00- |
| 05                | FRINGE BENEFITS                |                | 13,100.00-         | 13,100.00-          | 26,200.00- |
| 17                | TOTAL COST                     |                | 42,100.00-         | 42,100.00-          | 84,200.00- |
| 19                | CLASSIFIED POSITIONS AUTHORIZE |                | .60-               | .60-                |            |

**See Decision Item 6030-Appropriation 461 for an explanation.**

| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT                              | CODES  | TITLES                                       | DECISION ITEM<br><br>NUMERIC APPN. | CODES                      | TITLES  | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br><b>B-10</b><br>PAGE <u>1</u> |             |                    |                           |             |
|---|--|--|------------------------------------|----------------------------|---|---|-------------|--------------------|---------------------------|-------------|
|   | 395  | Transportation                               |                                    | 6030                       | Traffic Counting Positions  |   |             |                    |                           |             |
|   | 05   | Mtr Veh Services & Enforcement               |                                    |                            |   |   |             |                    |                           |             |
|   | 03   | Vehicle Registration and<br>Driver Licensing |                                    | 63                         | Veh registr, insp & maint., driver<br>licensing & aircraft registr., st fds |   |             |                    |                           |             |
| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal<br>P-Project L-LTE |  |  |                                    |                            |   |   |             |                    |                           |             |
| Pos.<br>Type*   | CLASS TITLES   | SCHED.<br>AND<br>RANGE                       | FTE<br>Monthly<br>Salary<br>Cost   | NUMBER OF<br>FTE POSITIONS |   | SALARY COSTS  |             | POSITION<br>NUMBER | Position<br>Term.<br>Date | REMARKS     |
|   |  |  |                                    | 1st<br>Year                | 2nd<br>Year   | 1st<br>Year   | 2nd<br>Year |                    |                           |             |
| 01  | <b>REALLOCATE to Apprn 961 for Aircraft Registration</b> |  |                                    |                            |   |   |             |                    |                           | 01          |
| 02  | C PROGRAM AND POLICY ANALYST                             | 07-04  | 4,023                              | (0.60)                     | (0.60)  | (28,964)  | (28,964)    | 337173             |                           | Moe, Joni J |
| 03  |  |  |                                    |                            |   |   |             |                    |                           | 03          |
| 04  | SALARIES   |  |                                    | (0.60)                     | (0.60)  | (28,964)  | (28,964)    |                    |                           | 04          |
| 05  | FRINGE (45.31%)  |  |                                    |                            |   | (13,123)  | (13,123)    |                    |                           | 05          |
| 06  | TOTAL SALARIES & FRINGE                                  |  |                                    |                            |   | (42,087)  | (42,087)    |                    |                           | 06          |
| 07  |  |  |                                    |                            |   |   |             |                    |                           | 07          |
| 08  |  |  |                                    |                            |   |   |             |                    |                           | 08          |
| 09  |  |  |                                    |                            |   |   |             |                    |                           | 09          |
| 10  |  |  |                                    |                            |   |   |             |                    |                           | 10          |
| 11  |  |  |                                    |                            |   |   |             |                    |                           | 11          |
| 12  |  |  |                                    |                            |   |   |             |                    |                           | 12          |
| 13  |  |  |                                    |                            |   |   |             |                    |                           | 13          |
| 14  |  |  |                                    |                            |   |   |             |                    |                           | 14          |
| 15  |  |  |                                    |                            |   |   |             |                    |                           | 15          |
| 16  |  |  |                                    |                            |   |   |             |                    |                           | 16          |
| 17  |  |  |                                    |                            |   |   |             |                    |                           | 17          |
| 18  |  |  |                                    |                            |   |   |             |                    |                           | 18          |
| 19  |  |  |                                    |                            |   |   |             |                    |                           | 19          |
| 20  |  |  |                                    |                            |   |   |             |                    |                           | 20          |
| 21  |  |  |                                    |                            |   |   |             |                    |                           | 21          |
| 22  |  |  |                                    |                            |   |   |             |                    |                           | 22          |
| 23  |  |  |                                    |                            |   |   |             |                    |                           | 23          |
| 24  |  |  |                                    |                            |   |   |             |                    |                           | 24          |
| 25  |  |  |                                    |                            |   |   |             |                    |                           | 25          |
| 26  |  |  |                                    |                            |   |   |             |                    |                           | 26          |
| 27  |  |  |                                    |                            |   |   |             |                    |                           | 27          |
| 28  |  |  |                                    |                            |   |   |             |                    |                           | 28          |
| 29  |  |  |                                    |                            |   |   |             |                    |                           | 29          |
| 30  |  |  |                                    |                            |   |   |             |                    |                           | 30          |
| 31  |  |  |                                    |                            |   |   |             |                    |                           | 31          |
| 32  |  |  |                                    |                            |   |   |             |                    |                           | 32          |
| 33  |  |  |                                    |                            |   |   |             |                    |                           | 33          |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
SP 03 VEH REGISTR & DRIVER LICENSING  
NA 583 VEH REGISTR AND DRIVER LICENSING, FEDERAL FUNDS  
ALPH CX VEH REGISTR AND DRIVER LICENSING, FEDERAL FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                                | CHANGE AUTHOR 1A |               |            |
|-------------------|--------------------------------|------------------|---------------|------------|
| EXPENDITURE ITEMS |                                | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 01                | PERMANENT POSITION SALARIES    | 46,800.00        | 46,800.00     | 93,600.00  |
| 05                | FRINGE BENEFITS                | 20,800.00        | 20,800.00     | 41,600.00  |
| 06                | SUPPLIES & SERVICES            | 194,100.00       | 194,100.00    | 388,200.00 |
| 17                | TOTAL COST                     | 261,700.00       | 261,700.00    | 523,400.00 |
| 18                | PROJECT POSITIONS AUTHORIZED   | 2.00             | 2.00          |            |
| 19                | CLASSIFIED POSITIONS AUTHORIZE | 1.00             | 1.00          |            |

**DIN 3002: REMOVAL OF NONCONTINUING ELEMENTS FROM THE BASE**

| DEPARTMENT: 395   |                              | PROGRAM: 05   |  | SUBPROGRAM: 03 |  | APPROPRIATION: 583 |  | DECISION ITEM: 3002 |  |
|-------------------|------------------------------|---------------|--|----------------|--|--------------------|--|---------------------|--|
| EXPENDITURE ITEMS |                              | 1ST YEAR COST |  | 2ND YEAR COST  |  | TOTAL              |  |                     |  |
| 03                | PROJECT POSITION SALARIES    | .00           |  | 21,200.00-     |  | 21,200.00-         |  |                     |  |
| 05                | FRINGE BENEFITS              | .00           |  | 9,600.00-      |  | 9,600.00-          |  |                     |  |
| 17                | TOTAL COST                   | .00           |  | 30,800.00-     |  | 30,800.00-         |  |                     |  |
| 18                | PROJECT POSITIONS AUTHORIZED | .00           |  | 1.00-          |  |                    |  |                     |  |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

| DEPARTMENT: 395    PROGRAM: 05    SUBPROGRAM: 03    APPROPRIATION: 583    DECISION ITEM: 3003 |               |               |            |  |
|---|---------------|---------------|------------|--|
| EXPENDITURE ITEMS   | 1ST YEAR COST | 2ND YEAR COST | TOTAL      |  |
| 01 PERMANENT POSITION SALARIES  | 100.00-       | 100.00-       | 200.00-    |  |
| 03 PROJECT POSITION SALARIES  | 86,800.00     | 86,800.00     | 173,600.00 |  |
| 05 FRINGE BENEFITS  | 39,700.00     | 39,700.00     | 79,400.00  |  |
| 17 TOTAL COST   | 126,400.00    | 126,400.00    | 252,800.00 |  |
| 19 CLASSIFIED POSITIONS AUTHORIZE   | .00           | .00           |            |  |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
SP 04 VEH INSP TRAF ENF & RADIO MGMT  
NA 524 PUBLIC SAFETY RADIO MANAGEMENT, SERVICE FUNDS  
ALPH DK PUBLIC SAFETY RADIO MANAGEMENT, SERVICE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS                 | CHANGE AUTHOR 1A<br>1ST YEAR COST | 2ND YEAR COST | TOTAL      |
|-----------------------------------|-----------------------------------|---------------|------------|
| 01 PERMANENT POSITION SALARIES    | 112,800.00                        | 112,800.00    | 225,600.00 |
| 05 FRINGE BENEFITS                | 50,200.00                         | 50,200.00     | 100,400.00 |
| 06 SUPPLIES & SERVICES            | 22,000.00                         | 22,000.00     | 44,000.00  |
| 17 TOTAL COST                     | 185,000.00                        | 185,000.00    | 370,000.00 |
| 19 CLASSIFIED POSITIONS AUTHORIZE | 6.00                              | 6.00          |            |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                                |             |                |                    |                     |            |
|--------------------------------|-------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395                | PROGRAM: 05 | SUBPROGRAM: 04 | APPROPRIATION: 524 | DECISION ITEM: 3003 |            |
| EXPENDITURE ITEMS              |             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01 PERMANENT POSITION SALARIES |             |                | 194,200.00         | 194,200.00          | 388,400.00 |
| 05 FRINGE BENEFITS             |             |                | 91,600.00          | 91,600.00           | 183,200.00 |
| 17 TOTAL COST                  |             |                | 285,800.00         | 285,800.00          | 571,600.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
SP 04 VEH INSP TRAF ENF & RADIO MGMT  
NA 526 ESCORT, SECURITY & TRAFFIC ENFORC SERV, STATE FDS  
ALPH DG ESCORT, SECURITY & TRAFFIC ENFORC SERV, STATE FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                             | CHANGE AUTHOR 1A |               |            |
|-------------------|-----------------------------|------------------|---------------|------------|
| EXPENDITURE ITEMS |                             | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 01                | PERMANENT POSITION SALARIES | 122,600.00       | 122,600.00    | 245,200.00 |
| 05                | FRINGE BENEFITS             | 19,300.00        | 19,300.00     | 38,600.00  |
| 06                | SUPPLIES & SERVICES         | 18,500.00        | 18,500.00     | 37,000.00  |
| 17                | TOTAL COST                  | 160,400.00       | 160,400.00    | 320,800.00 |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 526 | DECISION ITEM: 3003 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 01                | PERMANENT POSITION SALARIES |                | 122,600.00-        | 122,600.00-         | 245,200.00- |
| 05                | FRINGE BENEFITS             |                | 16,500.00-         | 16,500.00-          | 33,000.00-  |
| 17                | TOTAL COST                  |                | 139,100.00-        | 139,100.00-         | 278,200.00- |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 526 | DECISION ITEM: 3007 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01                | PERMANENT POSITION SALARIES |                | 120,200.00         | 120,200.00          | 240,400.00 |
| 05                | FRINGE BENEFITS             |                | 18,800.00          | 18,800.00           | 37,600.00  |
| 17                | TOTAL COST                  |                | 139,000.00         | 139,000.00          | 278,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
 PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
 SP 04 VEH INSP TRAF ENF & RADIO MGMT  
 NA 528 CHEMICAL TESTING TRAINING & SERVICES, STATE FUNDS  
 ALPH DI CHEMICAL TESTING TRAINING & SERVICES, STATE FUNDS  
 DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS                 | CHANGE AUTHOR 1A |               | TOTAL        |
|-----------------------------------|------------------|---------------|--------------|
|                                   | 1ST YEAR COST    | 2ND YEAR COST |              |
| 01 PERMANENT POSITION SALARIES    | 630,100.00       | 630,100.00    | 1,260,200.00 |
| 04 LTE/MISC. SALARIES             | 52,000.00        | 52,000.00     | 104,000.00   |
| 05 FRINGE BENEFITS                | 284,200.00       | 284,200.00    | 568,400.00   |
| 06 SUPPLIES & SERVICES            | 297,400.00       | 297,400.00    | 594,800.00   |
| 17 TOTAL COST                     | 1,263,700.00     | 1,263,700.00  | 2,527,400.00 |
| 19 CLASSIFIED POSITIONS AUTHORIZE | 13.00            | 13.00         |              |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

| DEPARTMENT: 395    PROGRAM: 05    SUBPROGRAM: 04    APPROPRIATION: 528    DECISION ITEM: 3003 |               |               |            |  |
|---|---------------|---------------|------------|--|
| EXPENDITURE ITEMS   | 1ST YEAR COST | 2ND YEAR COST | TOTAL      |  |
| 01 PERMANENT POSITION SALARIES  | 36,400.00     | 36,400.00     | 72,800.00  |  |
| 05 FRINGE BENEFITS  | 21,800.00     | 21,800.00     | 43,600.00  |  |
| 17 TOTAL COST   | 58,200.00     | 58,200.00     | 116,400.00 |  |
| 19 CLASSIFIED POSITIONS AUTHORIZE   | .00           | .00           |            |  |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 528 | DECISION ITEM: 3007 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 01                | PERMANENT POSITION SALARIES |                | 23,800.00          | 23,800.00           | 47,600.00 |
| 05                | FRINGE BENEFITS             |                | 3,700.00           | 3,700.00            | 7,400.00  |
| 17                | TOTAL COST                  |                | 27,500.00          | 27,500.00           | 55,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
SP 04 VEH INSP TRAF ENF & RADIO MGMT  
NA 529 PUBLIC SAFETY RADIO MANAGEMENT, STATE FUNDS  
ALPH DL PUBLIC SAFETY RADIO MANAGEMENT, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                     | CHANGE AUTHOR 1A |               |           |
|-------------------|---------------------|------------------|---------------|-----------|
|                   |                     | 1ST YEAR COST    | 2ND YEAR COST | TOTAL     |
| 06                | SUPPLIES & SERVICES | 22,000.00        | 22,000.00     | 44,000.00 |
| 17                | TOTAL COST          | 22,000.00        | 22,000.00     | 44,000.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
 PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
 SP 04 VEH INSP TRAF ENF & RADIO MGMT  
 NA 562 TRANSPORTATION SAFETY, STATE FUNDS  
 ALPH DR TRANSPORTATION SAFETY, STATE FUNDS  
 DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                                | CHANGE AUTHOR 1A |               |              |
|-------------------|--------------------------------|------------------|---------------|--------------|
| EXPENDITURE ITEMS |                                | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 01                | PERMANENT POSITION SALARIES    | 511,600.00       | 511,600.00    | 1,023,200.00 |
| 05                | FRINGE BENEFITS                | 244,800.00       | 244,800.00    | 489,600.00   |
| 06                | SUPPLIES & SERVICES            | 721,000.00       | 721,000.00    | 1,442,000.00 |
| 07                | PERMANENT PROPERTY             | 87,500.00        | 87,500.00     | 175,000.00   |
| 17                | TOTAL COST                     | 1,564,900.00     | 1,564,900.00  | 3,129,800.00 |
| 19                | CLASSIFIED POSITIONS AUTHORIZE | 7.50             | 7.50          |              |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 562 | DECISION ITEM: 3003 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01                | PERMANENT POSITION SALARIES |                | 6,700.00-          | 6,700.00-           | 13,400.00- |
| 05                | FRINGE BENEFITS             |                | 13,300.00-         | 13,300.00-          | 26,600.00- |
| 17                | TOTAL COST                  |                | 20,000.00-         | 20,000.00-          | 40,000.00- |

## DIN 6010: CRASH DATABASE REORGANIZATION

| DEPARTMENT: 395    PROGRAM: 05    SUBPROGRAM: 04    APPROPRIATION: 562    DECISION ITEM: 6010 |                                |               |               |            |
|---|--------------------------------|---------------|---------------|------------|
| EXPENDITURE ITEMS   |                                | 1ST YEAR COST | 2ND YEAR COST | TOTAL      |
| 01  | PERMANENT POSITION SALARIES    | 181,700.00    | 181,700.00    | 363,400.00 |
| 05  | FRINGE BENEFITS                | 82,300.00     | 82,300.00     | 164,600.00 |
| 06  | SUPPLIES & SERVICES            | 500.00        | 500.00        | 1,000.00   |
| 17  | TOTAL COST                     | 264,500.00    | 264,500.00    | 529,000.00 |
| 19  | CLASSIFIED POSITIONS AUTHORIZE | 6.30          | 6.30          |            |

**SUMMARY:** The Department requests the permanent reallocation of 7.3 full time equivalent (FTE) positions from Appropriation 563, s. 20.395(5)(cq), Wis. Stats., to Appropriation 562, s.20.395(5)(dr), Wis. Stats. This reallocation would move the crash database management function from the Division of Motor Vehicles (DMV) to the Division of State Patrol (DSP), Bureau of Transportation Safety (BOTS).

Additionally, the Department requests the permanent reallocation of 1.0 full time equivalent (FTE) position from Appropriation 562, s. 20.395(5)(dr), Wis. Stats., to Appropriation 564, s.20.395(5)(dq), Wis. Stats. This reallocation would move a State Patrol Lieutenant position to a more appropriate funding source.

**DISCUSSION:** BOTS is the organization within the Department responsible for providing a department-wide focus for safety programs and safety policy analysis. They support the Department by providing the information necessary for managers to make data-driven program and project decisions. Because the new function of managing the updated crash database will be more in line with BOTS' strategic direction, the Department proposes reorganizing and moving the function from DMV to a new Crash Records Unit in BOTS.

The reallocated positions will have many duties including:

- Assisting with determining the Department's business needs for the crash database.
- Working as a liaison to IT project staff during database development.
- Providing ongoing crash database and application management, including technical support to internal and external users.
- Integrating new methods and technologies to improve the crash database and how data can be organized and reported.
- Ensuing compliance with enterprise and federal data reporting requirements.
- Analyzing crash data and organizing it so that it is easier for outside entities to access and use.

This reallocation will provide a synergy in safety program evaluation, targeting, and analysis.

The MV4000 form is used to record traffic accident police reports. The form records the location and cause of accidents. The form is 20 years old and in need of updating. For example, the current form does not allow an officer to specify that a crash occurred at a roundabout or as a result of texting while driving. The Department enters the information from the MV4000 into a crash database, which is then used to compile highway safety statistics. The crash database is 25 years old and has become obsolete and inefficient to update and maintain.

The current crash report and crash database no longer meets the Department's business needs. A 2010 assessment from the National Highway Traffic Safety Administration (NHTSA) indicated that the Department should update its crash form to be in compliance with Model Minimum Uniform Crash Criteria Guidelines. The Department is initiating a project to revise the MV4000 police crash report and associated database by

January 2017. The updated form and database will improve access to Wisconsin crash data for research and planning purposes and ensure that data conforms to national standards. Instead of staff spending time entering data into the database, they will be able to focus their efforts on improving the accuracy of the data and analyzing the data to improve safety programming and project development.

DMV currently manages the MV4000 and crash database within the Bureau of Driver Services, Citations and Withdrawals Section using 7.3 FTE. 1.3 FTE are responsible for updating and managing the Fatality Analysis Reporting System (FARS), which is used by NHTSA to analyze the surrounding conditions and potentially causative factors of deaths in motor vehicle crashes. 6.0 FTE currently enter data from the MV4000 into the crash database and manage the database. After the MV4000 and database are rebuilt, there will no longer be a heavy requirement on data entry and staff time can be redirected to analyze the data; the emphasis of crash database management will move from entering data to using data.

As part of the ongoing effort to promote safety on Wisconsin's highways, the Division of State Patrol (DSP) allocates positions where they are most needed. The Lieutenant position supervising the Motor Carrier Enforcement Unit in DSP's Bureau of Transportation Safety is currently funded in Appropriation 562, "Transportation Safety". However, the department's increased focus on size and weight enforcement of commercial motor vehicle carriers means this unit has an increased enforcement focus; therefore, the Lieutenant position that serves as unit leader is better funded out of Appropriation 564, "Vehicle inspection, traffic enforcement and radio management." Of course, commercial motor vehicle inspections will continue to have a strong safety component; moving this position to Appropriation 564 will allow the department to fund more front-line inspector hours to conduct more vehicle safety-focused inspections to complement federal funding under the Motor Carrier Safety Assistance Program.

| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT                              | CODES                                       | TITLES   | DECISION ITEM<br><br>NUMERIC APPN. | CODES                      | TITLES                             | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br><b>B-10</b><br>PAGE <u>1</u> |             |                    |                           |                        |    |
|---|---|--|------------------------------------|----------------------------|------------------------------------|---|-------------|--------------------|---------------------------|------------------------|----|
|   | 395   | Transportation   |                                    | 6010                       | Crash Database Reorganization      |   |             |                    |                           |                        |    |
|   | 05  | Mtr Vehicle Services & Enforcement                                 |                                    |                            |                                    |   |             |                    |                           |                        |    |
|   | 04  | Vehicle Inspection, Traffic<br>Enforcement and Radio<br>Management |                                    | 62                         | Transportation safety, state funds |   |             |                    |                           |                        |    |
| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal<br>P-Project L-LTE |   |  |                                    |                            |                                    |   |             |                    |                           |                        |    |
| Pos.<br>Type*   | CLASS TITLES                                | SCHED.<br>AND<br>RANGE   | FTE<br>Monthly<br>Salary<br>Cost   | NUMBER OF<br>FTE POSITIONS |                                    | SALARY COSTS  |             | POSITION<br>NUMBER | Position<br>Term.<br>Date | REMARKS                |    |
|   |   |  |                                    | 1st<br>Year                | 2nd<br>Year                        | 1st<br>Year   | 2nd<br>Year |                    |                           |                        |    |
| 01  | <b>CRASH DATABASE REORG from 563 to 562</b> |  |                                    |                            |                                    |   |             |                    |                           |                        | 01 |
| 02  | C TRANSPR CUSTOMER REP-SENIOR               | 02-11  | 2,671                              | 1.00                       | 1.00                               | 32,055  | 32,055      | 009700             |                           | Vacant (Ganser)        | 02 |
| 03  | C TRANSPR CUSTOMER REP-SENIOR               | 02-11  | 3,757                              | 1.00                       | 1.00                               | 45,084  | 45,084      | 017189             |                           | Curtis, Jesse R        | 03 |
| 04  | C TRANSPR CUSTOMER REP-SENIOR               | 02-11  | 2,926                              | 1.00                       | 1.00                               | 35,108  | 35,108      | 018632             |                           | Wesolowski, Douglas    | 04 |
| 05  | C TRANSPR CUSTOMER REP                      | 02-10  | 3,320                              | 0.70                       | 0.70                               | 27,890  | 27,890      | 037633             |                           | Vacant (Stephen)       | 05 |
| 06  | C TRANSPR CUSTOMER REP-SENIOR               | 02-11  | 2,671                              | 1.00                       | 1.00                               | 32,055  | 32,055      | 037745             |                           | Wilson, Tami K         | 06 |
| 07  | C OPERATIONS PROGRAM ASSOCIATE              | 02-11  | 3,052                              | 0.60                       | 0.60                               | 21,974  | 21,974      | 308186             |                           | Stary, Scott A         | 07 |
| 08  | C OPERATIONS PROGRAM ASSOCIATE              | 02-11  | 2,671                              | 1.00                       | 1.00                               | 32,055  | 32,055      | 312748             |                           | Richter, Rita M        | 08 |
| 09  | C TRANSPR CUSTOMER REP-SENIOR               | 02-11  | 2,671                              | 1.00                       | 1.00                               | 32,055  | 32,055      | 313102             |                           | Vacant (Ramos)         | 09 |
| 10  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 10 |
| 11  | SALARIES                                    |  |                                    | 7.30                       | 7.30                               | 258,275   | 258,275     |                    |                           |                        | 11 |
| 12  | FRINGE (45.31%)                             |  |                                    |                            |                                    | 117,024   | 117,024     |                    |                           |                        | 12 |
| 13  | TOTAL SALARIES & FRINGE                     |  |                                    |                            |                                    | 375,299   | 375,299     |                    |                           |                        | 13 |
| 14  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 14 |
| 15  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 15 |
| 16  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 16 |
| 17  | <b>REALLOCATE to Apprn 564</b>              |  |                                    |                            |                                    |   |             |                    |                           |                        | 17 |
| 18  | C STATE PATROL LIEUTENANT                   | 81-03  | 6,381                              | (1.00)                     | (1.00)                             | (76,569)  | (76,569)    | 008002             |                           | Klingenberg, Michael C | 18 |
| 19  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 19 |
| 20  | SALARIES                                    |  |                                    | (1.00)                     | (1.00)                             | (76,569)  | (76,569)    |                    |                           |                        | 20 |
| 21  | FRINGE (45.31%)                             |  |                                    |                            |                                    | (34,693)  | (34,693)    |                    |                           |                        | 21 |
| 22  | TOTAL SALARIES & FRINGE                     |  |                                    |                            |                                    | (111,262)   | (111,262)   |                    |                           |                        | 22 |
| 23  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 23 |
| 24  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 24 |
| 25  | SALARIES                                    |  |                                    | 6.30                       | 6.30                               | 181,706   | 181,706     |                    |                           |                        | 25 |
| 26  | FRINGE (45.31%)                             |  |                                    |                            |                                    | 82,331  | 82,331      |                    |                           |                        | 26 |
| 27  | TOTAL SALARIES & FRINGE                     |  |                                    |                            |                                    | 264,037   | 264,037     |                    |                           |                        | 27 |
| 28  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 28 |
| 29  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 29 |
| 30  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 30 |
| 31  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 31 |
| 32  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 32 |
| 33  |   |  |                                    |                            |                                    |   |             |                    |                           |                        | 33 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
 PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
 SP 04 VEH INSP TRAF ENF & RADIO MGMT  
 NA 564 VEH INSP, TRAFFIC ENFORC & RADIO MGMT, STATE FUNDS  
 ALPH DQ VEH INSP, TRAFFIC ENFORC & RADIO MGMT, STATE FUNDS  
 DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS                 | CHANGE AUTHOR 1A |               | TOTAL          |
|-----------------------------------|------------------|---------------|----------------|
|                                   | 1ST YEAR COST    | 2ND YEAR COST |                |
| 01 PERMANENT POSITION SALARIES    | 30,909,300.00    | 30,909,300.00 | 61,818,600.00  |
| 04 LTE/MISC. SALARIES             | 29,000.00        | 29,000.00     | 58,000.00      |
| 05 FRINGE BENEFITS                | 15,745,700.00    | 15,745,700.00 | 31,491,400.00  |
| 06 SUPPLIES & SERVICES            | 7,548,300.00     | 7,548,300.00  | 15,096,600.00  |
| 07 PERMANENT PROPERTY             | 4,255,800.00     | 4,255,800.00  | 8,511,600.00   |
| 14 MISCELLANEOUS TRANSFERS        | 1,095,000.00     | 1,095,000.00  | 2,190,000.00   |
| 17 TOTAL COST                     | 59,583,100.00    | 59,583,100.00 | 119,166,200.00 |
| 19 CLASSIFIED POSITIONS AUTHORIZE | 570.50           | 570.50        |                |
| 20 UNCLASSIFIED POS. AUTHORIZED   | 1.00             | 1.00          |                |

**DIN 3001: TURNOVER REDUCTION**

|                   |             |                |                    |                     |               |
|-------------------|-------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395   | PROGRAM: 05 | SUBPROGRAM: 04 | APPROPRIATION: 564 | DECISION ITEM: 3001 |               |
| EXPENDITURE ITEMS |             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 02                | TURNOVER    |                | 927,300.00-        | 927,300.00-         | 1,854,600.00- |
| 17                | TOTAL COST  |                | 927,300.00-        | 927,300.00-         | 1,854,600.00- |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

| DEPARTMENT: 395    PROGRAM: 05    SUBPROGRAM: 04    APPROPRIATION: 564    DECISION ITEM: 3003 |               |               |               |  |
|---|---------------|---------------|---------------|--|
| EXPENDITURE ITEMS   | 1ST YEAR COST | 2ND YEAR COST | TOTAL         |  |
| 01 PERMANENT POSITION SALARIES  | 592,400.00-   | 592,400.00-   | 1,184,800.00- |  |
| 05 FRINGE BENEFITS  | 1,117,500.00- | 1,117,500.00- | 2,235,000.00- |  |
| 17 TOTAL COST   | 1,709,900.00- | 1,709,900.00- | 3,419,800.00- |  |
| 19 CLASSIFIED POSITIONS AUTHORIZE   | .00           | .00           |               |  |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |              |
|-------------------|-----------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 564 | DECISION ITEM: 3007 |              |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 01                | PERMANENT POSITION SALARIES |                | 1,043,600.00       | 1,043,600.00        | 2,087,200.00 |
| 05                | FRINGE BENEFITS             |                | 163,400.00         | 163,400.00          | 326,800.00   |
| 17                | TOTAL COST                  |                | 1,207,000.00       | 1,207,000.00        | 2,414,000.00 |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                   |                             |                |                    |                     |            |
|-------------------|-----------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 564 | DECISION ITEM: 3008 |            |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01                | PERMANENT POSITION SALARIES |                | 186,000.00         | 186,000.00          | 372,000.00 |
| 05                | FRINGE BENEFITS             |                | 29,100.00          | 29,100.00           | 58,200.00  |
| 17                | TOTAL COST                  |                | 215,100.00         | 215,100.00          | 430,200.00 |

## DIN 5506: STATE PATROL FLEET COSTS

| DEPARTMENT: 395   |                     | PROGRAM: 05   | SUBPROGRAM: 04 | APPROPRIATION: 564 | DECISION ITEM: 5506 |  |
|-------------------|---------------------|---------------|----------------|--------------------|---------------------|--|
| EXPENDITURE ITEMS |                     | 1ST YEAR COST | 2ND YEAR COST  | TOTAL              |                     |  |
| 06                | SUPPLIES & SERVICES | 668,000.00    | 668,000.00     | 1,336,000.00       |                     |  |
| 17                | TOTAL COST          | 668,000.00    | 668,000.00     | 1,336,000.00       |                     |  |

**SUMMARY:** The Department of Transportation requests \$668,000 SEG in FY 16 and \$668,000 SEG in FY 17 in Appropriation 564, s. 20.395(5)(dq), Wis. Stats to fund increased costs associated with Division of State Patrol (DSP) fleet operations. This funding will fully fund DSP highway safety and enforcement patrolling.

**DISCUSSION:** The Division of State Patrol (DSP) promotes transportation safety by patrolling Wisconsin's highways, enforcing traffic laws, inspecting commercial motor vehicles, and reconstructing traffic accidents. DSP personnel use a variety of vehicles to carry out these duties, including squad cars, sport utility vehicles (SUVs), and motorcycles. Each vehicle incurs a fleet charge for every mile of travel. The Division of Business Management's (DBM) Fleet Service Center annually establishes per-mile fleet rates for each type of vehicle used by the Department. Fleet rates are based on prior calendar year data and include: motor fuel costs; maintenance and repair costs; vehicle usage; vehicle depreciation; administrative costs to run fleet operations; vehicle surplus sale proceeds; insurance; parking and other fees. DSP typically drives around nine million total miles per year. In FY 14, DSP drove 8.9 million miles while in FY 13 and FY 12 DSP accumulated 9.1 million fleet miles each year. While mileage can fluctuate for a variety of reasons including significant weather events, other emergencies, and vacancies, DSP expects to maintain FY 14 fleet mileage levels in FY 16 and FY 17. DSP limits troopers to 92 miles daily as a means of controlling costs although this limit may be exceeded when necessary.

Since FY 10, fleet rates for DSP squad cars increased 23.3% due to motor fuel price increases, increased tire costs, and higher industry-wide maintenance and repair costs. Fleet rates fluctuate when any one of the rate components change. The main component is fuel prices, making up 47.9% of the FY 15 rate for DSP squad cars. Although motor fuel prices have been highly volatile in recent years, industry analysts predict stable or slightly lower prices in the next few years. The U.S. Energy Information Administration (EIA) reports that in July 2014, the average retail price of regular grade gasoline in the Midwest region was \$3.40. EIA forecasts this price to range between \$3.39 and \$3.45 in 2018. Other organizations, including Global Insight which provides a number of indices used in the Department's revenue forecasting model, predict similar trends with pricing.

The FY 15 fleet rate for DSP squad cars is \$0.53 per mile. Less frequently used motorcycles and SUVs are charged at \$0.61 and \$0.57 per mile, respectively. Depreciation, which is dependent on vehicle purchase price and number of vehicles, makes up 19.9% of the FY 15 fleet rate for DSP squad cars. This component of the fleet rate may increase slightly in future fiscal years as DSP continues to replace Ford Crown Victoria squad cars (which are no longer manufactured) with Ford Police Interceptor squad cars. The Police Interceptor has more advanced technology available, but is also more expensive. The Department estimates it will take approximately five years to turn over the DSP fleet. The other large component of the fleet rate for DSP squad cars is maintenance and repairs which comprises 24.9% of the FY 15 fleet rate. The table below shows the amount of Chapter 20 budget authority allocated for fleet costs. The allocated amounts for fleet were reduced by \$756,100 in FY 10 and further reduced \$214,400 since then.

**DSP Fleet Costs**

| <u>FY</u> | <u>Budget</u> | <u>Expenditures</u>        | <u>Mileage<br/>Rate</u> |
|-----------|---------------|----------------------------|-------------------------|
| FY 08     | \$5,132,500   | \$5,113,027                | \$0.48                  |
| FY 09     | \$5,110,700   | \$6,066,774                | \$0.53                  |
| FY 10     | \$4,354,600   | \$3,633,458                | \$0.43                  |
| FY 11*    | \$4,485,600   | \$5,143,288                | \$0.55                  |
| FY 12     | \$4,145,100   | \$5,542,863                | \$0.64                  |
| FY 13     | \$4,140,200   | \$5,543,058                | \$0.61                  |
| FY 14     | \$4,140,200   | \$4,895,049                | \$0.56                  |
| FY 15     | \$4,140,200   | \$4,808,200<br>(estimated) | \$0.53                  |

\*Fleet costs supplemented by other sources

In FY 13, DSP fleet expenditures exceeded the allocated budget amount by \$1,402,858. In FY 14 the allocated Chapter 20 budget authority was exceeded by \$754,849. Appropriation 564 allocates \$4,140,200 for fleet expenditures in FY 15. Based on fleet rates and CY 14 usage figures, the Department is projecting fleet costs to be \$668,000 over the allocated budget authority in FY 15. Projecting that stable fleet rates continue in both FY 16 and FY 17 DSP's fleet costs are estimated to be approximately \$4,808,200 in both FY 16 and in FY 17, \$668,000 over the allocated budget authority.

The Department requests \$668,000 SEG in FY 16 and \$668,000 SEG in FY 17 to fund DSP's fleet costs.

## **DIN 5507: STATE PATROL RADIO REPLACEMENT**

|                   |                    |                |                    |                     |            |
|-------------------|--------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 05        | SUBPROGRAM: 04 | APPROPRIATION: 564 | DECISION ITEM: 5507 |            |
| EXPENDITURE ITEMS |                    |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 07                | PERMANENT PROPERTY |                | 222,300.00         | 222,300.00          | 444,600.00 |
| 17                | TOTAL COST         |                | 222,300.00         | 222,300.00          | 444,600.00 |

**SUMMARY:** The Department requests \$222,300 SEG in FY 16 and \$222,300 SEG in FY 17 in Appropriation 564, s. 20.395(5)(dq) Wis. Stats., to fund the Division of State Patrol's (DSP) costs to replace law enforcement in-squad radios. This request assumes a five-year master lease. This funding would allow for continuation of DSP's regular radio replacement schedule.

**DISCUSSION:** The in-vehicle radios used by Division of State Patrol (DSP) were purchased in 2007. Numerous changes and enhancements in public safety wireless communications systems have been implemented since this purchase, including deployment of the Wisconsin Interoperable System for Communications (WISCOM). As a result, replacement radios will cost significantly more than the \$1.86 million expended during the existing master lease period. The funding request will supplement DSP's existing five-year master lease funding of \$371,400 annually for a total of \$593,700.

The WISCOM system has begun to vastly improve the ability of public safety agencies to communicate during planned and unplanned incident responses. However, the transition of all public safety agencies to compatible (interoperable) radios and systems in Wisconsin requires time and funding. While DSP's current radios are compliant with federal interoperability standards, they have become increasingly outmoded and cannot take advantage of many benefits of modern communication systems. As a statewide public safety agency, DSP must be able to communicate not only with users of the WISCOM system but also with the remaining conventional systems that exist statewide. These new radios will provide that functionality.

In-vehicle radios allow sworn officers to talk with other DSP troopers, inspectors, incident commanders, dispatchers, and other public safety agencies. This is important for officer safety as commanders can know where officers are located and communicate directives in emergencies. WISCOM allows DSP sworn staff to conduct conversations with multiple parties without interfering with each others' conversation. Furthermore, the WISCOM system allows DSP officers to talk directly with law enforcement officers from other federal, state and local agencies. The new radios will be coupled with a wireless microphone which will allow DSP troopers and inspectors to stay in communication with DSP dispatchers and other public safety agencies whether inside or outside their vehicle.

DSP's current in-vehicle radios have exceeded the industry useful life standard for public safety and first responder emergency equipment. Equipment failure cannot be allowed to occur for this type of equipment as officer and public safety depend on communications equipment operating properly at all times. All in-vehicle radios must be replaced at the same time in order to have uniformity of equipment and software so that officers are able to use the equipment in a squad car other than their own.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Division of State Patrol Enforcement Services

**DIN:** 5507

**ISSUE TITLE:** State Patrol Radio Replacement

**REQUEST:**

The Department requests \$222,300 SEG in FY 16 and \$222,300 SEG in FY 17 in Appropriation 564, s. 20.395(5)(dq) Wis. Stats., to fund the Division of State Patrol's (DSP) costs to replace law enforcement in-squad radios. This request assumes a five-year master lease. This funding would allow for continuation of DSP's regular radio replacement schedule.

**SUMMARY:**

The 2007-09 biennial budget provided \$371,400 in annual funding to purchase the Division of State Patrol's (DSP) current VHF mobile (in-vehicle) radios through a five-year master lease. The last payment on the associated master lease was made in March 2014. Numerous changes and enhancements in public safety wireless communications systems have been implemented since this purchase, including deployment of the Wisconsin Interoperable System for Communications (WISCOM). As a result, replacement radios (regardless of manufacturer) will cost significantly more than the \$1.86 million expended during the existing master lease period. The new radios, with wireless microphones, cost approximately \$4,400 per vehicle. DSP will need to purchase 579 radios for a total cost of \$2,547,600. The annual master lease payment for this amount is estimated to be \$593,700. Radios for 10 vehicles were purchased in August 2014 under emergency conditions; they are not included in this request. The funding request will supplement DSP's existing five-year master lease funding of \$371,400 annually for a total of \$593,700.

**JUSTIFICATION:**

The 2007 in-vehicle radio procurement was part of DSP's overall effort to meet the Federal Communications Commission's (FCC) requirement of utilizing narrowband frequency technology and follow the industry standard known as Project 25 (APCO 25, or P25). P25 is a set of standards for digital radio communications for use by federal, state and local public safety agencies to enable them to communicate with other agencies and mutual aid response teams in emergencies. Portable radios and dispatching equipment also had to meet these same requirements.

In 2011, the Department of Transportation (DOT) partnered with the Office of Justice Assistance , which is now part of the Department of Justice, to build and support WISCOM primarily on DSP's existing communication network infrastructure. The WISCOM system was originally designed and constructed to a 95/95 mobile coverage standard from the core sites meaning it will cover 95% of the state 95% of the time when using a 50-watt mobile radio. While some tower sites are still under construction, local enhancement sites have been added and have further improved local coverage in those areas to meet their needs. The existence of the WISCOM system in Wisconsin has begun to vastly improve the ability of public safety agencies to communicate during planned and unplanned incident responses. However, the transition of all public safety agencies to compatible (interoperable) radios and systems in Wisconsin requires time and funding. While DSP's current radios are P-25 compliant, they have become increasingly outmoded since their purchase and cannot take advantage of many subsequent benefits of P25-compliant communication systems due to further maturation of the technology. As a statewide public safety agency, the DSP must be able to communicate not only with users of the WISCOM P25 trunking network but also with the remaining conventional systems that exist statewide. These new radios will provide this functionality.

In-vehicle radios sworn officers troopers to talk with other DSP troopers, inspectors, incident commanders, dispatchers, and other public safety agencies. This is important for officer safety as commanders can know where officers are located and communicate directives in emergencies. The P25 functionalities allow DSP sworn staff to conduct conversations with multiple parties without interfering with each others' conversation. Furthermore, the WISCOM system allows DSP officers to talk directly with law enforcement officers from other federal, state and local agencies. The new radios will be coupled with a wireless microphone which will allow DSP troopers and inspectors to stay in communication with DSP dispatchers and other public safety agencies whether inside or outside their vehicle. This feature will allow DSP to remove in-vehicle repeater radios currently necessary for portable radio communication when a trooper or inspector is outside their vehicle. The current arrangement causes interference when a second officer arrives on scene unless they turn their radio off. It also makes communicating with other local law enforcement agencies very difficult.

DSP's current in-vehicle radios have exceeded the industry useful life standard for public safety and first responder emergency equipment. Equipment failure cannot be allowed to occur for this type of equipment as officer and public safety depend on communications equipment operating properly at all times. All in-vehicle radios must be replaced at the same time in order to have uniformity of equipment and software so that officers are able to use the equipment in a squad car other than their own. Additionally, manufacturers of public safety emergency radios periodically release new versions of equipment with different software packages. Supporting two separate generations of radios is expensive and inefficient. This problem occurred after DSP's most recent radio purchase when the Department of Natural Resources (DNR) purchased the next generation of the same radio. DSP supports DNR radio communications and the significant differences between the two generations caused communication problems that required a cumbersome "work around" because DSP's radios could not be upgraded.

The Department requests \$222,300 SEG in FY 16 and \$222,300 SEG in FY 17 to fund costs necessary to replace DSP's outmoded in-squad radio systems through a five-year master lease.

## **DIN 5508: STATE PATROL RECRUIT CLASS**

|                   |                     |                |                    |                     |              |
|-------------------|---------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 05         | SUBPROGRAM: 04 | APPROPRIATION: 564 | DECISION ITEM: 5508 |              |
| EXPENDITURE ITEMS |                     |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 06                | SUPPLIES & SERVICES |                | 1,156,100.00       | 1,156,100.00        | 2,312,200.00 |
| 17                | TOTAL COST          |                | 1,156,100.00       | 1,156,100.00        | 2,312,200.00 |

**SUMMARY:** The Department requests \$1,156,100 SEG in FY 16 and \$1,156,100 SEG in FY 17 in Appropriation 564, s. 20.395(5)(dq) Wis. Stats., to fund the costs of an annual Division of State Patrol (DSP) recruit class to address staffing vacancies resulting from retirements and resignations.

**DISCUSSION:** DSP sworn vacancies result when troopers and inspectors retire, resign, or promote into supervisory positions. More recently, many DSP vacancies are resulting from sworn staff leaving after five to seven years of service because of higher pay offered by local law enforcement agencies. These vacancies result in staffing shortfalls which requires DSP to reassign troopers and inspectors to maintain coverage along key patrol sectors. Reassigning positions increases an individual officer's area of responsibility by lengthening interstate highway segments that a trooper patrols and leaves less-travelled highway sectors and counties without a regular patrolling presence. Availability of inspectors to conduct commercial motor vehicles inspections at Wisconsin's 15 Safety and Weight Enforcement Facilities (SWEF) is also limited. In August 2014, eight counties had no permanently assigned trooper positions. Six other counties had no troopers filling permanently assigned positions and 32 other counties were understaffed. The situation is similar for the 37 counties that have inspector positions permanently assigned.

Despite the increasing number of vacant positions, requests for DSP services continue to grow. DSP has become a national leader in reconstructing crashes and crime scene mapping, expanded its use of aerial patrolling of interstate highways, and led or assisted in emergency situations and special events, such as the Capitol protests of 2011, natural disasters, and the 2013 National Governors' Association meeting in Milwaukee.

In order to maintain the current level of service and safety on Wisconsin highways, new troopers and inspectors must be hired to fill these vacancies. New recruits require 23 weeks of training at DSP's Academy located at Fort McCoy. This training is preceded by an extensive recruitment and testing process. The entire recruitment and training process takes approximately nine months. Although DSP conducted 13 classes between 1991 and 2002 graduating 317 sworn officers only six classes were held between 2003 and 2013, graduating 167 officers. If this funding request is approved, DSP plans to start classes with 35 cadets, expecting approximately 25 to graduate. This would be smaller than recent classes which started with 40 or more cadets and graduated approximately 30.

As of September 2014, DSP had 52 vacant State Patrol Trooper and State Patrol Inspector positions. The Department estimates DSP will have approximately 30 sworn vacancies in June 2015. If this funding request is approved vacancies will decrease to nine by February 2016. Assuming continued retirements and resignations at two per month, DSP will be fully-staffed by February 2017. If only one class is funded DSP could expect 47 vacancies at the end of FY 17. If neither class occurs, sworn vacancies are estimated to reach 82 by the end of FY 17. DSP has never operated with so many vacancies. Counties without interstate highway corridors would most likely be the first to experience additional reductions in DSP services. Presently, eight counties (primarily in northern Wisconsin) have no permanently assigned trooper position and six others have no troopers deployed. Therefore, any additional limitations of DSP staff resources could begin to occur in counties with larger populations. Additionally, hours of operation at DSP's Safety and Weight Enforcement Facilities (SWEF) would likely be further restricted.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Division of State Patrol Enforcement Services

**DIN:** 5508

**ISSUE TITLE:** State Patrol Recruit Class

**REQUEST:**

The Department requests \$1,156,100 SEG in FY 16 and \$1,156,100 SEG in FY 17 in Appropriation 564, s. 20.395(5)(dq) Wis. Stats., to fund the costs of an annual Division of State Patrol (DSP) recruit class to address staffing vacancies resulting from retirements and resignations.

**SUMMARY:**

DSP sworn vacancies result when troopers and inspectors retire, resign, or promote into supervisory positions. More recently, a number of DSP vacancies have resulted from sworn staff leaving after five-seven years of service because of higher pay offered by local law enforcement agencies. In the 12 months from May 2013 through May 2014, 16 troopers or inspectors resigned from DSP to work for other law enforcement or government agencies. As of September 2014, DSP had 52 vacant State Patrol Trooper and State Patrol Inspector positions.

DSP responds to these staffing shortfalls by reassigning troopers and inspectors to maintain coverage along key patrol sectors. Reassigning positions increases an individual officer's area of responsibility by lengthening interstate highway segments that a trooper patrols and leaves highway sectors and counties without a regular patrolling presence. Availability of inspectors to conduct commercial motor vehicle inspections at Wisconsin's 15 Safety and Weight Enforcement Facilities (SWEF) is also limited. In August 2014, eight counties had no permanently assigned trooper positions. Six other counties had no troopers filling permanently assigned positions and 32 other counties were understaffed. The situation is similar for the 37 counties in which inspector positions are permanently assigned. In August 2014, 14 of the 37 counties had vacant positions and 2 of these counties had no permanently assigned inspector positions filled in the county.

Despite the increasing number of vacant positions, requests for DSP services continue to grow. DSP has become a national leader in reconstructing crashes and crime scene mapping, expanded its use of aerial patrolling of interstate highways, and led or assisted in emergency situations and special events, such as the Capitol protests of 2011, natural disasters, and the National Governors' Association meeting in Milwaukee in 2013.

To maintain the current level of service and safety on Wisconsin highways, new troopers and inspectors must be hired to fill vacancies. New recruits require 23 weeks of training at DSP's Academy located at Fort McCoy. New troopers and inspectors are then assigned to a 12-week field training program with a senior trooper or inspector before they are provided with an independent assignment. The entire recruitment and training process takes approximately 12 months. Therefore, DSP must perform its best estimate of when there will be sufficient vacancies to justify another training class. Recruit training classes have been less frequent in the past decade. Between 1991 and 2002 DSP conducted 13 classes graduating 317 sworn officers. Between 2003 and 2013, however, DSP held only six classes graduating 167 officers. In March 2014, 30 cadets graduated from the DSP Academy in the 59<sup>th</sup> recruit class. The 60<sup>th</sup> recruit class started at the Academy in July 2014.

The Department requests \$1,156,100 SEG in FY 16 and \$1,156,100 SEG in FY 17 to fund the costs of an annual DSP recruit class to address staffing vacancies. DSP plans to start classes with 35 cadets, expecting approximately 25 to graduate. This would be smaller than recent classes which started with 40 or more cadets and graduated approximately 30. The 60<sup>th</sup> recruit class began with 52 cadets and is expected to graduate approximately 40.

**JUSTIFICATION:**

In order for DSP to meet the ever-changing and growing challenges of traffic law enforcement and public safety in Wisconsin, the division must have sufficient sworn staff that are fully trained in law enforcement. DSP troopers and inspectors conduct a wide variety of activities as shown in Table 1 below.

**Table 1  
Calendar Year 2013 DSP Activity**

|                                       |         |
|---------------------------------------|---------|
| Citations Issued                      | 112,659 |
| Warnings Issued                       | 224,879 |
| CMV* Inspections                      | 30,001  |
| K9 Searches                           | 1,780   |
| Traffic Incident Mapping and Analysis | 346     |
| Crime Scene Mapping and Analysis      | 61      |
| Safety Campaign and Details           | 95      |

\*Commercial Motor Vehicle

New sworn staff begins their careers with 23 weeks of residential training at the Wisconsin State Patrol Academy at Fort McCoy. Unlike many other areas of state service, vacancies for sworn positions within DSP cannot be filled as they occur through a standard civil service examination and interview process. The only way to replace vacant trooper and inspector positions is to follow an exam with a recruit training class at the Academy.

The lengthy recruitment, hiring and training process includes:

- A recruitment effort that takes three to four months.
- A multiple choice civil service examination. For the 60<sup>th</sup> recruit class that started in July 2014, 823 people applied on-line to take the examination, 394 actually took the exam and 324 of those passed. Six Department staff worked two days each administering the examination.
- Physical fitness and agility testing.
- 30 minute personal interview. For the 60<sup>th</sup> recruit class, 10 Department staff conducted 188 interviews.
- In-depth background investigations.
- Other medical and psychological testing. For the 60<sup>th</sup> recruit class, psychological testing was administered to 89 candidates; 63 passed. All candidates passed the medical testing.

Only after medical and psychological testing is complete can DSP determine how many candidates to start at the Academy. Basic training for new hires includes components such as police science, firearms training, vehicle pursuit training, legal background, public interaction, as well as DSP and DOT rules and protocols.

As of September 2014, DSP had 52 vacant State Patrol Trooper and State Patrol Inspector positions. This includes the sworn positions DSP allocates to meet the three percent turnover requirement. The 60<sup>th</sup> recruit class is expected to graduate approximately 40 new sworn staff in December 2014. Between June 2012 and March 2014, DSP experienced 2.1 new sworn vacancies each month. Since then, new vacancies have averaged 3.0 per month. If sworn retirements and resignations continue at two per month, DSP will have approximately 30 sworn vacancies by the time the first class begins in FY 16 and nine more by the time they graduate in January 2016. Assuming continued retirements and resignations at two per month, vacancies will climb back to approximately 23 by the time the second class begins in July 2016. If only one class is funded DSP could expect 47 vacancies at the end of FY 17. If neither class occurs, sworn vacancies are estimated to reach 82. Because collective bargaining rights prohibit DSP from requiring a trooper or inspector to reassign to another county it is not possible to identify which counties will be impacted by the absence of DSP troopers and inspectors. The most likely scenario is that the more rural counties without Interstate highway corridors would be the first to experience any adjustment of DSP resources. As noted, eight counties (primarily in northern Wisconsin) have no permanently assigned trooper position and six others have no troopers deployed. Therefore, any additional limitations of DSP staff resources could begin to occur in counties with larger populations. Hours of operation at the state's SWEFs would likely be even further restricted as well.

In FY 16, the Department estimates the entire cost of recruitment, testing 40 potential cadets, starting a class with 30 new cadets, and graduating 25 new sworn staff at \$1,333,515. These costs include the items listed in the Table 2 below:

**Table 2  
Recruit Class Costs**

| <u>Expense</u>                  | <u>Cost</u>        |
|---------------------------------|--------------------|
| Recruitment                     | \$8,600            |
| Pre-hire testing and procedures | 29,600             |
| Academy Training                | 351,569            |
| Equipment                       | 67,825             |
| Salary                          | 550,648            |
| Fringe                          | 299,773            |
| Post-Academy moving expenses    | <u>25,500</u>      |
| <b>TOTAL</b>                    | <b>\$1,333,515</b> |

The Department is requesting less than this amount in expectation of \$177,459 reimbursement by the Wisconsin Department of Justice. In addition to the cost associated with holding a recruit class, there will be other expenses associated with fleet, meals and other costs. The Department is not requesting funding to cover these expenses.

DSP does not have base funding in their budget to hold recruit classes. The Department was able to fund the current class with one-time funding, but that will not be available to hold future classes. Approval of this funding request would allow DSP to begin a new class of cadets each year. The Department requests \$1,156,100 in FY 16 and \$1,156,100 in FY 17 to fund costs necessary to run a new recruit class annually.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5508

**TOPIC:** Increasing penalty for failure to use seat belts

**DESCRIPTION OF CHANGE:**

The Department requests amending s. 347.50(2m) and s. 347.50(4), Wis. Stats., to increase the fine from \$10 to \$25 for not wearing a seatbelt or for failure to properly secure a passenger younger than eight years old.

**JUSTIFICATION:**

Although safety belt use in Wisconsin reached an all-time high of 84.7% in 2014, the state still lags behind the national average of 86%. The National Highway Traffic Safety Administration (NHTSA) reported that Wisconsin ranked 38<sup>th</sup> for safety belt compliance in 2012 with the lowest rate of compliance among all states in the region, as shown in Table 1.

**Table 1  
Safety Belt Compliance Rate  
2012**

|           | <u>Compliance Rate</u> |
|-----------|------------------------|
| Illinois  | 94%                    |
| Iowa      | 92%                    |
| Michigan  | 94%                    |
| Minnesota | 94%                    |
| Wisconsin | 80%                    |

Illinois', Minnesota's and Michigan's compliance rate is the 5<sup>th</sup> best in the country. Although Wisconsin's compliance rate has improved following the shift to primary enforcement, it remains well below the rate in surrounding states as well as the national average. In 2012, 189 unbelted vehicle occupants were killed in crashes in Wisconsin. The economic impact of these fatalities is estimated at \$276,885,000.

Consistent safety belt use is the single most effective way to protect people from being ejected from a vehicle or thrown around during a crash. The most common approach to safety belt usage penalties is a fine. Illinois, Michigan, and Minnesota all assess a \$25 base fine. Iowa assesses a \$50 fine. All states within Wisconsin's NHTSA region, except Michigan, also add court costs to the total fine amount. Among Wisconsin's neighbors, the average total cost of a seat belt violation is \$69. By comparison, Wisconsin assesses a \$10 fine.

A NHTSA study estimates that seatbelt compliance increases 3% when the fine is raised from \$5 to \$25. That same study also estimates that the compliance rate will increase an additional 3% if the fine is raised from \$25 to \$60 and an additional 3% with an increased fine of \$60 to \$100. In 2014, Wisconsin had a seat belt use rate of 84.7% meaning that increasing the fine to \$25 could result in a Wisconsin compliance rate of 87.4%.

NHTSA estimates that approximately 50% of unbelted fatalities would have been prevented by the use of a safety belt. A 3% increase in seatbelt compliance in Wisconsin would therefore save approximately 15 lives annually.

**Department of Transportation  
2015-17 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5508

**TOPIC:** Interstate and Intrastate Compliance Reviews

**DESCRIPTION OF CHANGE:**

The Department requests amending Chapter 194 Wis. Stats., to allow for more comprehensive inspections by the Division of State Patrol (DSP) of the records, premises, and vehicles of a common motor carrier engaged in strictly intrastate movement of products and people.

**JUSTIFICATION:**

This change would allow DSP to conduct compliance reviews of intrastate motor carriers identical to those currently conducted for intrastate carriers of hazardous materials as well as all interstate and international motor carriers. These compliance reviews are on-site examinations of a motor carrier's records and operations to assess the carrier's adherence to federal and state safety regulations covering drivers, vehicles, and carrier operations.

Compliance reviews of intrastate carriers that do not transport hazardous materials are currently limited to confirming that a drug and alcohol program is in place, that drivers have a legal commercial driver license, and a valid federal medical card.

In contrast, compliance reviews for all other carriers consider many other factors including:

- Unsafe driving records of a carrier's drivers
- Hours of service record review of all drivers
- Fitness of all drivers in regards to training, experience, or medical issues
- Controlled substances / alcohol policies and plans for driver education and intervention
- Vehicle maintenance policies and records
- Cargo handling policies and records to prevent shifting loads, overloading, and spilled cargo
- Crash indicators including frequency and severity

Federal regulations allow state motor carrier safety agencies to investigate these issues with all carriers, including those that operate entirely intrastate. State statute, however, limits the more extensive review to only intrastate carriers that transport hazardous materials as well as all interstate and international carriers domiciled in Wisconsin.

The following specific statutory changes are requested:

- Amend s. 194.03(1) and (2) Wis. Stats. to include motor carriers involved in intrastate commerce to be covered by this chapter.
- Amend s. 194.11 Wis. Stats. to state that all intrastate motor carriers are subject to all safety and compliance reviews covering intrastate carriers of hazardous materials, as well as interstate and international motor carriers in the state.

This change will allow DSP to equitably regulate interstate and intrastate motor carriers, improving the safety of intrastate motor carriers where regulation, education and compliance require attention. The proposal will promote program efficiency as all carriers would then be subject to the same rules. The proposed change will also address recent criticisms by the Federal Motor Carrier Safety Administration regarding the adequacy of DSP intrastate carrier reviews. DSP managers indicate this proposed change will provide them with greater flexibility when imposing fines on intrastate carriers. Currently, if an intrastate carrier is found in violation of one of the few federal regulations reviewed, DSP must impose the federally established fine. Under this proposal, however, DSP can use flexibility when imposing fines.

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5508

**TOPIC:** Private Motor Carrier Definition

**DESCRIPTION OF CHANGE:**

The Department requests statutory modification of s. 194.01 (11), Wis Stats., to amend the definition of a “private motor carrier” as “any person who provides transportation of property or passengers, by commercial motor vehicle, as described in 49 CFR Part 390.5 and is not a for-hire motor carrier.”

**JUSTIFICATION:**

Wisconsin statute defines a private motor carrier as any carrier, other than one engaged in commercial transport of people or property, who transports property by means other than an automobile. This statutory definition does not include the transportation of passengers. In a 2012 audit report on Wisconsin’s motor carrier program, the Federal Motor Carrier Safety Administration (FMCSA), Wisconsin was cited because current statute “is not compatible with the definition of a private motor carrier in 49 CFR 390.5.”

This change will impose the same safety requirements on private carrier transportation of passengers that are currently imposed on private carriers of property. The transportation services of various entities will come under the purview of additional safety inspection rules; these entities include groups that provide transportation with their own passenger transportation fleets such as private businesses, youth camps, and educational institutions. This change will allow the Department to ensure the safe transportation of passengers in vans and buses that carry more than 16 passengers including the driver.

Without these statutory changes, Wisconsin’s non-compliance with federal statute and regulation could result in a loss of \$4.5 million in federal funds that are currently allocated to the motor carrier enforcement program that funds 112 Division of State Patrol inspectors and 10 motor carrier investigators.

**Department of Transportation  
2015-2017 Biennial Budget Request  
STATUTORY MODIFICATIONS**

**DIN:** 5508

**TOPIC:** Vehicles Required to Stop at RR Crossings

**DESCRIPTION OF CHANGE:**

The Department requests statutory modification of s. 346.45 (1), Wis Stats., to require a stop at railroad crossings by every cargo tank motor vehicle, whether loaded or empty, transporting any commodity under exemption in accordance with subpart B of 49 CFR 107.

**JUSTIFICATION:**

Wisconsin statute requires a stop at railroad crossings by cargo tank motor vehicles only if they are used to transport any liquid with a flashpoint below 200 degrees Fahrenheit or, if carrying a commodity which, at the time of loading, has a temperature above its flashpoint. In a 2012 audit report on Wisconsin's motor carrier program, the Federal Motor Carrier Safety Administration (FMCSA), Wisconsin was cited because its statutes were termed "incompatible" with federal rules and regulations. FMSCA advised Wisconsin to "require every cargo tank motor vehicle, whether loaded or empty, transporting any commodity under exemption in accordance with the provisions of subpart B of 49 CFR 107."

The change will ensure that all commercial cargo tank motor carriers, including those classified as "exempt" because of unique construction or because the cargo it carries is specific to a particular industry, shall always stop at all railroad crossings. This requirement will ensure safety in all situations by extending this requirement that most cargo tank carriers already are required to stop.

Without these statutory changes, Wisconsin's non-compliance with federal statute and regulation could result in a loss of \$4.5 million in federal funds that are currently allocated to the motor carrier enforcement program that funds 112 Division of State Patrol inspectors and 10 motor carrier investigators.

**DIN 5509: STATE PATROL OVERTIME COSTS**

|                   |                             |                |                    |                     |              |
|-------------------|-----------------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 564 | DECISION ITEM: 5509 |              |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 01                | PERMANENT POSITION SALARIES |                | 918,400.00         | 918,400.00          | 1,836,800.00 |
| 05                | FRINGE BENEFITS             |                | 230,900.00         | 230,900.00          | 461,800.00   |
| 17                | TOTAL COST                  |                | 1,149,300.00       | 1,149,300.00        | 2,298,600.00 |

**SUMMARY:** The Department requests \$1,149,300 SEG in FY 16 and \$1,149,300 SEG in FY 17 in Appropriation 564, s.20.395(5)(dq) Wis. Stats., to partially fund overtime costs for the Division of State Patrol's (DSP) current level of effort.

**DISCUSSION:** DSP routinely performs scheduled and unscheduled overtime to respond to the safety needs of Wisconsin residents and travelers. Scheduled overtime, such as escorting oversized vehicles, providing traffic control services at events, and participating in federal safety initiatives, is usually reimbursed by third parties. Unscheduled overtime accumulated during routine patrolling tasks or emergency response situations must be absorbed within DSP's existing budget authority. DSP established a number of different policies to limit overtime usage and implemented work rule changes in January 2014 to further limit overtime. However, much overtime remains generally unavoidable.

DSP's overtime salary budget of \$1,043,600 has not increased since FY 02. However, both the cost of and demand for overtime have increased significantly since then. The average overtime salary rate increased from \$30.59 per hour in FY 02 to \$37.64 per hour in FY 14. In FY 02 DSP was able to fund 34,100 overtime hours with existing overtime salary budget authority. DSP can now fund 27,700 overtime hours. The amount of unreimbursed overtime accumulated by DSP staff in FY 02 was 41,300 hours meaning that DSP's budget had to cover 7,200 overtime hours out of its existing budget. Unreimbursed overtime hours exceeded 64,000 hours in each year of the past four years; overtime totaled 69,900 hours in FY 14 meaning that DSP had to cover 42,200 overtime hours out of its existing budget. DSP is no longer able to absorb additional overtime costs within existing budget authority. The Department requests \$1,149,300 SEG in FY 16 and 1,149,300 SEG in FY 17 to fund salary and fringe benefits costs associated with 50,000 hours of unreimbursed overtime per year.

**Department of Transportation  
2015-17 Biennial Budget Request  
ISSUE PAPER**

**PROGRAM:** Division of State Patrol Law Enforcement Services

**DIN:** 5509

**ISSUE TITLE:** State Patrol Overtime Costs

**REQUEST:**

The Department requests \$1,149,300 SEG in FY 16 and \$1,149,300 SEG in FY 17 in Appropriation 564, s.20.395(5)(dq) Wis. Stats., to partially fund overtime costs for the Division of State Patrol's (DSP) current level of effort.

**SUMMARY:**

DSP routinely performs scheduled and unscheduled overtime to respond to the safety needs of Wisconsin residents and travelers. Scheduled overtime, such as escorting oversized vehicles, providing traffic control services at events, and participating in federal safety initiatives, is usually reimbursed by third parties. Unscheduled overtime accumulated during routine patrolling tasks or emergency response situations must be absorbed within DSP's existing budget authority. DSP established a number of different policies to limit overtime usage and implemented work rule changes in January 2014 to further limit overtime. However, much overtime remains generally unavoidable.

DSP's overtime salary budget of \$1,043,600 has not increased since FY 02. However, both the cost of and demand for overtime have increased significantly since then. The average overtime salary rate increased from \$30.59 per hour in FY 02 to \$37.64 per hour in FY 14. In FY 02 DSP was able to fund 34,100 overtime hours with existing overtime salary budget authority. DSP can now fund 27,700 overtime hours. The amount of unreimbursed overtime accumulated by DSP staff in FY 02 was 41,300 hours meaning that DSP's budget had to cover 7,200 overtime hours out of its existing budget. Unreimbursed overtime hours exceeded 64,000 hours in each year of the past four years; overtime totaled 69,900 hours in FY 14 meaning that DSP had to cover 42,200 overtime hours out of its existing budget. DSP is no longer able to absorb additional overtime costs within existing budget authority. The Department requests \$1,149,300 SEG in FY 16 and 1,149,300 SEG in FY 17 to fund salary and fringe benefits costs associated with 50,000 hours of unreimbursed overtime per year.

**JUSTIFICATION:**

DSP plays a significant role in traffic enforcement and public safety services on the state highway system. While patrolling state roadways, officers enforce traffic laws, respond to traffic incidents, assist motorists, minimize disruptions to highway travel, and partner with local and municipal law enforcement agencies. DSP deploys officers on state roadways 24 hours every day of the year.

DSP routinely performs both scheduled and unscheduled overtime to meet the safety needs of Wisconsin residents and travelers. Escorting oversize vehicles, providing traffic control services at events and participating in federal safety campaigns are examples of scheduled overtime. These overtime costs are usually reimbursable from other sources:

- Oversize vehicle escort services are paid for by businesses utilizing the service.
- Event sponsors can be charged for security and traffic enforcement services.
- Transportation safety initiatives, such as extraordinary enforcement for the "Drive Sober or Get Pulled Over" and the "Click It or Ticket" campaigns, are reimbursed with federal grant funding.

Reimbursement for overtime worked during a federally declared emergency may be provided but usually takes months to receive and typically does not cover 100% of actual costs.

It is more common for trooper and inspector overtime to be an unscheduled activity. Unscheduled overtime is often considered a function of the job responsibilities of troopers and inspectors depending on the timing and duration of traffic incidents or other events. Unscheduled overtime is funded from DSP's salary and fringe benefit budget allocation. Situations that commonly result in trooper and inspector overtime include:

- Intoxicated Drivers -- The trooper or inspector must process testing of the intoxicated driver's blood-alcohol content and escort them for booking to the local jail. Overtime results if these duties require the trooper or inspector to work beyond their normal schedule.
- Sick Leave Coverage -- If a trooper or inspector calls in sick another will be asked to work an additional shift to ensure coverage of a specific interstate highway segment.
- Crash Response – A trooper or inspector has many responsibilities and duties at crash scenes. He or she must attend to injuries, determine the need for more support, interview witnesses and take notes about the crash, escort people to jail (if necessary), provide scene security, and write an official report. If performing these duties requires the trooper or inspector to work beyond their normal schedule they are entitled to overtime premium pay.

Most DSP overtime costs are paid at one and one-half times the employee's regular hourly pay, as the work they perform is non-exempt from the overtime provisions of the Fair Labor Standards Act. The variable fringe benefit rate, which includes only costs that change as salary levels change, as well as a retirement add-on for protective service classifications, is also added. Troopers and inspectors earn overtime pay for hours worked above and beyond their standard work week, which is typically 40 hours. Generally, sergeants and other supervisory sworn staff can receive overtime only if they are working hours in addition to their regular work week and are responding to a civil disturbance, natural disaster or man-made disaster, or if they are supervising staff who are also working overtime hours. Among sworn and non-sworn staff, sworn officers work more than 90% of all DSP overtime hours.

DSP's annual overtime salary budget allocation of \$1,043,600 has not increased since FY 02. At the same time, the cost of overtime and demand for its use has increased significantly. The average overtime base pay rate was \$30.59 per hour in FY 02 with an overtime fringe rate of 28.0%; in FY 14, DSP sworn staff working overtime averaged \$37.64 per hour with an overtime fringe rate of 25.15%. Whereas DSP could fund 34,100 hours of overtime in FY 02, DSP budget authority could fund between 27,000 and 27,700 hours of overtime during each fiscal year since FY 10. DSP worked 69,900 hours of overtime in FY 14, which is 42,200 hours more than the current budget can support at a cost of \$1,588,400 in salary.

The hourly cost of overtime has remained stable in recent years due to the lack of a new agreement between the state and the Wisconsin Law Enforcement Association (WLEA) bargaining unit. The current agreement with WLEA has been in effect since July 2005. Also lending stability to pay rates is the fact that sworn staff who retire are generally replaced by newer troopers and inspectors who are paid less. In FY 10, the average trooper/inspector overtime rate was \$37.83 per hour; in FY 14 the average overtime rate was \$37.64 per hour.

The table below shows that the number of non-reimbursed overtime hours has increased significantly since FY 02. It also shows that in recent years, despite stable salary costs, DSP absorbed a significant funding shortfall due to overtime. It is not possible for DSP to continue to absorb overtime costs without impacting division operations.

**Table 1  
Overtime Hours in DSP**

|  | <u>FY 02</u>  | <u>FY 10</u>  | <u>FY 11*</u> | <u>FY 12</u>  | <u>FY 13</u>  | <u>FY 14</u>  |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Non-Reimbursable Overtime Hours</b>                                   | <b>41,326</b> | <b>34,379</b> | <b>52,747</b> | <b>67,332</b> | <b>64,751</b> | <b>69,055</b> |
| <b>Non-Reimbursable Overtime Cost (salary &amp; fringe, in millions)</b> | <b>\$1.62</b> | <b>\$1.65</b> | <b>\$2.34</b> | <b>\$3.39</b> | <b>\$3.22</b> | <b>\$3.29</b> |
| <b>Shortfall in Budget Authority (millions)</b>                          | <b>\$0.22</b> | <b>\$0.33</b> | <b>\$1.01</b> | <b>\$2.14</b> | <b>\$1.96</b> | <b>\$2.08</b> |

\* FY 11 reimbursed OT hours and costs due to State Capitol Security needs are not included.

The increased demand for non-reimbursable overtime can be attributed to numerous factors: increasing requests for accident reconstruction services, responding to more severe weather incidents, assisting local governments with enforcement services, and staffing vacant positions. The Department requests funding for 50,000 hours of overtime usage which will address current overtime demand once DSP is fully staffed.

In FY 15, the Department estimates that 50,000 hours of overtime will cost DSP \$1,961,967 in salary and \$395,269 in fringe benefit costs. This is \$918,367 above current budgeted salary amounts and \$230,969 above budgeted fringe benefit amounts. DSP is no longer able to cover the costs of overtime from elsewhere in its operating budget without significantly reducing other program services. The Department estimates 50,000 hours of non-reimbursable overtime costs to be \$2,357,236 in FY 16 and \$2,357,236 in FY 17.

The Department requests \$1,149,300 in FY 16 and \$1,149,300 in FY 17 to fund overtime costs consistent with the anticipated level of activity. This includes \$918,300 in salary and \$231,000 for fringe benefit costs in each year.

**DIN 6010: CRASH DATABASE REORGANIZATION**

|                   |                                |                |                    |                     |            |
|-------------------|--------------------------------|----------------|--------------------|---------------------|------------|
| DEPARTMENT: 395   | PROGRAM: 05                    | SUBPROGRAM: 04 | APPROPRIATION: 564 | DECISION ITEM: 6010 |            |
| EXPENDITURE ITEMS |                                |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL      |
| 01                | PERMANENT POSITION SALARIES    |                | 76,600.00          | 76,600.00           | 153,200.00 |
| 05                | FRINGE BENEFITS                |                | 34,700.00          | 34,700.00           | 69,400.00  |
| 17                | TOTAL COST                     |                | 111,300.00         | 111,300.00          | 222,600.00 |
| 19                | CLASSIFIED POSITIONS AUTHORIZE |                | 1.00               | 1.00                |            |

**See Decision Item 6010-Appropriation 562 for an explanation.**

| DEPARTMENT<br>PROGRAM<br>SUBPROGRAM<br>PROGRAM ELEMENT                              | CODES                            | TITLES  | DECISION ITEM<br><br>NUMERIC APPN. | CODES                      | TITLES   | POSITION CHANGES<br>AND<br>SALARY WORKSHEET<br><b>B-10</b><br>PAGE <u>1</u> |             |                    |                           |                        |
|---|----------------------------------|---|------------------------------------|----------------------------|--|---|-------------|--------------------|---------------------------|------------------------|
|   | 395                              | Transportation  |                                    | 6010                       | Crash Database Reorg   |   |             |                    |                           |                        |
|   | 05                               | Mtr Veh Services & Enforcement                            |                                    |                            |  |   |             |                    |                           |                        |
|   | 04                               | Vehicle Inspection, Traffic<br>Enforcement and Radio Mgmt |                                    | 64                         | Veh inspection, traffic enforcement &<br>radio mgmt, state funds |   |             |                    |                           |                        |
| *Position Type: C-Classified Permanent U-Unclassified S-Seasonal<br>P-Project L-LTE |                                  |   |                                    |                            |  |   |             |                    |                           |                        |
| Pos.<br>Type*   | CLASS TITLES                     | SCHED.<br>AND<br>RANGE                                    | FTE<br>Monthly<br>Salary<br>Cost   | NUMBER OF<br>FTE POSITIONS |  | SALARY COSTS  |             | POSITION<br>NUMBER | Position<br>Term.<br>Date | REMARKS                |
|   |                                  |   |                                    | 1st<br>Year                | 2nd<br>Year  | 1st<br>Year   | 2nd<br>Year |                    |                           |                        |
| 01  | <b>REALLOCATE from Apprn 562</b> |   |                                    |                            |  |   |             |                    |                           | 01                     |
| 02  | C STATE PATROL LIEUTENANT        | 81-03   | 6,381                              | 1.00                       | 1.00   | 76,569  | 76,569      | 008002             |                           | Klingenberg, Michael C |
| 03  |                                  |   |                                    |                            |  |   |             |                    |                           | 03                     |
| 04  | SALARIES                         |   |                                    | 1.00                       | 1.00   | 76,569  | 76,569      |                    |                           | 04                     |
| 05  | FRINGE (45.31%)                  |   |                                    |                            |  | 34,693  | 34,693      |                    |                           | 05                     |
| 06  | TOTAL SALARIES & FRINGE          |   |                                    |                            |  | 111,262   | 111,262     |                    |                           | 06                     |
| 07  |                                  |   |                                    |                            |  |   |             |                    |                           | 07                     |
| 08  |                                  |   |                                    |                            |  |   |             |                    |                           | 08                     |
| 09  |                                  |   |                                    |                            |  |   |             |                    |                           | 09                     |
| 10  |                                  |   |                                    |                            |  |   |             |                    |                           | 10                     |
| 11  |                                  |   |                                    |                            |  |   |             |                    |                           | 11                     |
| 12  |                                  |   |                                    |                            |  |   |             |                    |                           | 12                     |
| 13  |                                  |   |                                    |                            |  |   |             |                    |                           | 13                     |
| 14  |                                  |   |                                    |                            |  |   |             |                    |                           | 14                     |
| 15  |                                  |   |                                    |                            |  |   |             |                    |                           | 15                     |
| 16  |                                  |   |                                    |                            |  |   |             |                    |                           | 16                     |
| 17  |                                  |   |                                    |                            |  |   |             |                    |                           | 17                     |
| 18  |                                  |   |                                    |                            |  |   |             |                    |                           | 18                     |
| 19  |                                  |   |                                    |                            |  |   |             |                    |                           | 19                     |
| 20  |                                  |   |                                    |                            |  |   |             |                    |                           | 20                     |
| 21  |                                  |   |                                    |                            |  |   |             |                    |                           | 21                     |
| 22  |                                  |   |                                    |                            |  |   |             |                    |                           | 22                     |
| 23  |                                  |   |                                    |                            |  |   |             |                    |                           | 23                     |
| 24  |                                  |   |                                    |                            |  |   |             |                    |                           | 24                     |
| 25  |                                  |   |                                    |                            |  |   |             |                    |                           | 25                     |
| 26  |                                  |   |                                    |                            |  |   |             |                    |                           | 26                     |
| 27  |                                  |   |                                    |                            |  |   |             |                    |                           | 27                     |
| 28  |                                  |   |                                    |                            |  |   |             |                    |                           | 28                     |
| 29  |                                  |   |                                    |                            |  |   |             |                    |                           | 29                     |
| 30  |                                  |   |                                    |                            |  |   |             |                    |                           | 30                     |
| 31  |                                  |   |                                    |                            |  |   |             |                    |                           | 31                     |
| 32  |                                  |   |                                    |                            |  |   |             |                    |                           | 32                     |
| 33  |                                  |   |                                    |                            |  |   |             |                    |                           | 33                     |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
SP 04 VEH INSP TRAF ENF & RADIO MGMT  
NA 566 TRAFFIC ACADEMY TUITION PAYMENTS, STATE FUNDS  
ALPH DH TRAFFIC ACADEMY TUITION PAYMENTS, STATE FUNDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                     | CHANGE AUTHOR 1A |               |            |
|-------------------|---------------------|------------------|---------------|------------|
|                   |                     | 1ST YEAR COST    | 2ND YEAR COST | TOTAL      |
| 06                | SUPPLIES & SERVICES | 474,800.00       | 474,800.00    | 949,600.00 |
| 17                | TOTAL COST          | 474,800.00       | 474,800.00    | 949,600.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
 PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
 SP 04 VEH INSP TRAF ENF & RADIO MGMT  
 NA 582 TRANSPORTATION SAFETY, FEDERAL FUNDS  
 ALPH DY TRANSPORTATION SAFETY, FEDERAL FUNDS  
 DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                                | CHANGE AUTHOR 1A |               |              |
|-------------------|--------------------------------|------------------|---------------|--------------|
| EXPENDITURE ITEMS |                                | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 01                | PERMANENT POSITION SALARIES    | 631,800.00       | 631,800.00    | 1,263,600.00 |
| 04                | LTE/MISC. SALARIES             | 25,200.00        | 25,200.00     | 50,400.00    |
| 05                | FRINGE BENEFITS                | 283,200.00       | 283,200.00    | 566,400.00   |
| 06                | SUPPLIES & SERVICES            | 2,927,700.00     | 2,927,700.00  | 5,855,400.00 |
| 14                | MISCELLANEOUS TRANSFERS        | 91,900.00        | 91,900.00     | 183,800.00   |
| 17                | TOTAL COST                     | 3,959,800.00     | 3,959,800.00  | 7,919,600.00 |
| 19                | CLASSIFIED POSITIONS AUTHORIZE | 11.00            | 11.00         |              |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 582 | DECISION ITEM: 3003 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 01                | PERMANENT POSITION SALARIES |                | 49,300.00-         | 49,300.00-          | 98,600.00-  |
| 05                | FRINGE BENEFITS             |                | 17,300.00-         | 17,300.00-          | 34,600.00-  |
| 17                | TOTAL COST                  |                | 66,600.00-         | 66,600.00-          | 133,200.00- |

**DIN 6001: FEDERAL FUNDS REESTIMATES**

|                 |                     |                |                    |                     |              |
|-----------------|---------------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395 | PROGRAM: 05         | SUBPROGRAM: 04 | APPROPRIATION: 582 | DECISION ITEM: 6001 |              |
|                 | EXPENDITURE ITEMS   |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 06              | SUPPLIES & SERVICES |                | 1,377,600.00       | 1,377,600.00        | 2,755,200.00 |
| 17              | TOTAL COST          |                | 1,377,600.00       | 1,377,600.00        | 2,755,200.00 |

**See Decision Item 6001-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
 PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
 SP 04 VEH INSP TRAF ENF & RADIO MGMT  
 NA 584 VEHICLE INSPECTION & TRAFFIC ENFORCEMENT, FED FDS  
 ALPH DX VEHICLE INSPECTION & TRAFFIC ENFORCEMENT, FED FDS  
 DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                                | CHANGE AUTHOR 1A |               |               |
|-------------------|--------------------------------|------------------|---------------|---------------|
| EXPENDITURE ITEMS |                                | 1ST YEAR COST    | 2ND YEAR COST | TOTAL         |
| 01                | PERMANENT POSITION SALARIES    | 2,478,300.00     | 2,478,300.00  | 4,956,600.00  |
| 05                | FRINGE BENEFITS                | 1,253,400.00     | 1,253,400.00  | 2,506,800.00  |
| 06                | SUPPLIES & SERVICES            | 4,822,200.00     | 4,822,200.00  | 9,644,400.00  |
| 14                | MISCELLANEOUS TRANSFERS        | 50,000.00        | 50,000.00     | 100,000.00    |
| 17                | TOTAL COST                     | 8,603,900.00     | 8,603,900.00  | 17,207,800.00 |
| 19                | CLASSIFIED POSITIONS AUTHORIZE | 46.00            | 46.00         |               |

**DIN 3003: FULL FUNDING OF CONTINUING POSITION SALARIES AND FRINGE BENEFITS**

|                   |                             |                |                    |                     |             |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-------------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 584 | DECISION ITEM: 3003 |             |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL       |
| 01                | PERMANENT POSITION SALARIES |                | 160,100.00-        | 160,100.00-         | 320,200.00- |
| 05                | FRINGE BENEFITS             |                | 145,300.00-        | 145,300.00-         | 290,600.00- |
| 17                | TOTAL COST                  |                | 305,400.00-        | 305,400.00-         | 610,800.00- |

**DIN 3007: OVERTIME**

|                   |                             |                |                    |                     |           |
|-------------------|-----------------------------|----------------|--------------------|---------------------|-----------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 584 | DECISION ITEM: 3007 |           |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL     |
| 01                | PERMANENT POSITION SALARIES |                | 26,600.00          | 26,600.00           | 53,200.00 |
| 05                | FRINGE BENEFITS             |                | 4,200.00           | 4,200.00            | 8,400.00  |
| 17                | TOTAL COST                  |                | 30,800.00          | 30,800.00           | 61,600.00 |

**DIN 3008: NIGHT AND WEEKEND DIFFERENTIAL PAY**

|                   |                             |                |                    |                     |          |
|-------------------|-----------------------------|----------------|--------------------|---------------------|----------|
| DEPARTMENT: 395   | PROGRAM: 05                 | SUBPROGRAM: 04 | APPROPRIATION: 584 | DECISION ITEM: 3008 |          |
| EXPENDITURE ITEMS |                             |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL    |
| 01                | PERMANENT POSITION SALARIES |                | 4,100.00           | 4,100.00            | 8,200.00 |
| 05                | FRINGE BENEFITS             |                | 600.00             | 600.00              | 1,200.00 |
| 17                | TOTAL COST                  |                | 4,700.00           | 4,700.00            | 9,400.00 |

**DIN 6001: FEDERAL FUNDS REESTIMATES**

|                 |                     |                |                    |                     |               |
|-----------------|---------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 05         | SUBPROGRAM: 04 | APPROPRIATION: 584 | DECISION ITEM: 6001 |               |
|                 | EXPENDITURE ITEMS   |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 06              | SUPPLIES & SERVICES |                | 2,366,400.00-      | 2,366,400.00-       | 4,732,800.00- |
| 17              | TOTAL COST          |                | 2,366,400.00-      | 2,366,400.00-       | 4,732,800.00- |

**See Decision Item 6001-Appropriation 961 for an explanation.**

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
SP 06 MTR VEHICLE INSP & MAINTENANCE  
NA 596 MTR VEH EMISSION I&M PROGR, CONTRACTOR COSTS, ST  
ALPH HQ MTR VEH EMISSION I&M PROGR, CONTRACTOR COSTS, ST  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |                     | CHANGE AUTHOR 1A |               |              |
|-------------------|---------------------|------------------|---------------|--------------|
| EXPENDITURE ITEMS |                     | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 06                | SUPPLIES & SERVICES | 3,193,300.00     | 3,193,300.00  | 6,386,600.00 |
| 17                | TOTAL COST          | 3,193,300.00     | 3,193,300.00  | 6,386,600.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 05 MTR VEHICLE SERV & ENFORCEMENT  
SP 10 PRETRIAL INTOX DR INTERV GRANT  
NA 568 PRETRIAL INTOXICATED DR INTERVENTION GRANTS, ST FD  
ALPH JR PRETRIAL INTOXICATED DR INTERVENTION GRANTS, ST FD  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |                  | CHANGE AUTHOR 1A |               |              |
|-------------------|------------------|------------------|---------------|--------------|
|                   |                  | 1ST YEAR COST    | 2ND YEAR COST | TOTAL        |
| 10                | LOCAL ASSISTANCE | 731,600.00       | 731,600.00    | 1,463,200.00 |
| 17                | TOTAL COST       | 731,600.00       | 731,600.00    | 1,463,200.00 |

| <b>BUDGET NARRATIVE FORM</b>                       |                       |                     |   |
|--|-----------------------|---------------------|---|
|  | AGENCY NARRATIVE      | Codes<br><b>395</b> | Titles<br><b>Department of Transportation</b> |
|  | PROGRAM NARRATIVE     | <b>06</b>           | <b>Debt Service</b>                           |
|  | SUB-PROGRAM NARRATIVE |                     |   |
| <b>-NOT FOR USE WITH DECISION ITEM NARRATIVES-</b> |                       |                     |   |

The objective of the program is to provide for the payment of interest and principal related to general obligation bonds issued for the construction of highways, bridges, buildings, and for improvements to harbor and rail systems.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 06 DEBT SERVICES  
SP 01 DEBT SERVICES  
NA 661 PRIN REPMT&INT,TRANS.FAC.,MAJOR HWY&REHAB., ST FDS  
ALPH AQ PRIN REPMT&INT,TRANS.FAC.,MAJOR HWY&REHAB., ST FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |              | CHANGE AUTHOR 1A |               | TOTAL         |
|-------------------|--------------|------------------|---------------|---------------|
|                   |              | 1ST YEAR COST    | 2ND YEAR COST |               |
| 12                | DEBT SERVICE | 34,461,000.00    | 34,461,000.00 | 68,922,000.00 |
| 17                | TOTAL COST   | 34,461,000.00    | 34,461,000.00 | 68,922,000.00 |

**DIN 5601: DEBT SERVICE REESTIMATE**

|                 |                   |                |                    |                     |               |
|-----------------|-------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 06       | SUBPROGRAM: 01 | APPROPRIATION: 661 | DECISION ITEM: 5601 |               |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 12              | DEBT SERVICE      |                | 26,584,900.00      | 26,167,100.00       | 52,752,000.00 |
| 17              | TOTAL COST        |                | 26,584,900.00      | 26,167,100.00       | 52,752,000.00 |

## **DIN 5602: ADDITIONAL BONDING DEBT SERVICE - FREIGHT RAIL**

|                   |              |                |                    |                     |              |
|-------------------|--------------|----------------|--------------------|---------------------|--------------|
| DEPARTMENT: 395   | PROGRAM: 06  | SUBPROGRAM: 01 | APPROPRIATION: 661 | DECISION ITEM: 5602 |              |
| EXPENDITURE ITEMS |              |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL        |
| 12                | DEBT SERVICE |                | 375,000.00         | 1,578,600.00        | 1,953,600.00 |
| 17                | TOTAL COST   |                | 375,000.00         | 1,578,600.00        | 1,953,600.00 |

**SUMMARY:** The Department requests \$60.0 million in General Obligation (GO) bonding authority under s. 20.866(2)(uw), Wis. Stats., for the Freight Railroad Preservation Program (FRPP). Current GO bonding authority for FRPP is \$208.5 million. Debt service on FRPP bonding is paid by the Transportation Fund.

**DISCUSSION:** The FRPP preserves freight railroad service on abandoned lines, on publicly owned lines, and on abandoned railroad corridors when service is not immediately continued. The demand for FRPP funding continues to increase as the growing freight rail industry moves to rail cars with greater carrying capacity. These heavier rail cars require heavier gauge rail and ties and are stressing the existing state-owned lines beyond the limits they were designed to meet when originally constructed in the 19<sup>th</sup> and early 20<sup>th</sup> centuries. In addition, many of the bridges on the state-owned freight rail network require repair, rehabilitation, or replacement. A primary program goal is to upgrade state-owned rail lines and bridges to allow the heavier cars to operate at speeds of 25 miles per hour. Currently, nearly 50 percent of the state-owned rail system is limited to 10 miles per hour or less.

Despite increased freight rail activity, there are corridors that are being abandoned or service discontinued because the lines do not meet the railroads' requirements. Some of these lines may be purchased for continued service to preserve the economic strength of the businesses and communities they serve. Other lines could be purchased to preserve the corridor for future transportation use. The program has seen very high demand. The Department received applications totaling about \$70 million for track and bridge rehabilitation projects in FY 2015 alone. In addition, to that, the Department has identified over \$200 million of projects needed on the current system. Without additional bonding authority, the Department would be unable to respond to requests for assistance to preserve and rehabilitate abandoned rail freight lines and to preserve abandoned corridors for future transportation uses.

The estimated increase in debt service related to this request is \$375,000 in FY 16 and \$1,578,640 in FY 17.

**Department of Transportation**  
**2015-2017 Biennial Budget Request**  
**STATUTORY MODIFICATIONS**

**DIN:** 5602

**TOPIC:** Increase Bonding Authority for Freight Railroad Preservation Program (FRPP)

**DESCRIPTION OF CHANGE:**

The Department requests an increase of \$60.0 million in General Obligation (GO) bonding authority, s. 20.866(2) (uw), Wis. Stats., for the Freight Railroad Preservation Program (FRPP). Current GO bonding authority for FRPP is \$208.5 million.

**JUSTIFICATION:**

The FRPP preserves freight railroad service on abandoned lines, on publicly owned lines, and on abandoned railroad corridors when service is not immediately continued. The demand for FRPP funding continues to increase as the growing freight rail industry moves to rail cars with greater carrying capacity. These heavier rail cars require heavier gauge rail and ties and are stressing the existing state-owned lines beyond the limits they were designed to meet when originally constructed in the 19<sup>th</sup> and early 20<sup>th</sup> centuries. In addition, many of the bridges on the state-owned freight rail network also require repair, rehabilitation, or replacement. One of the main program goals is to upgrade state-owned rail lines and bridges to allow the heavier cars to operate at speeds of 25 miles per hour. Currently, nearly 50 percent of the state-owned rail system is limited to 10 miles per hour or less.

In addition, despite increased activity, there are additional privately owned corridors that are being abandoned or service discontinued because the lines do not meet the railroads' requirements. Some of these lines may be purchased for continued service to preserve the economic strength of the businesses and communities they serve. Other lines could be purchased to preserve the corridor for future transportation use. The program has seen very high demand. The Department received applications totaling about \$70 million for track and bridge rehabilitation projects in FY 2015 alone. In addition to that, the Department has identified over \$200 million of projects needed on the current system. Without additional bonding authority, the Department would be unable to respond to requests for assistance to preserve and rehabilitate abandoned rail freight lines and to preserve abandoned corridors for future transportation uses.

## **DIN 5603: ADDITIONAL BONDING DEBT SERVICE - HARBOR**

|                 |                   |                |                    |                     |  |              |
|-----------------|-------------------|----------------|--------------------|---------------------|--|--------------|
| DEPARTMENT: 395 | PROGRAM: 06       | SUBPROGRAM: 01 | APPROPRIATION: 661 | DECISION ITEM: 5603 |  |              |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       |  | TOTAL        |
| 12              | DEBT SERVICE      |                | 198,800.00         | 838,700.00          |  | 1,037,500.00 |
| 17              | TOTAL COST        |                | 198,800.00         | 838,700.00          |  | 1,037,500.00 |

**SUMMARY:** The Department requests \$15.9 million in General Obligation (GO) bonding authority in s. 20.866(2)(uv), Wis. Stats., for the Harbor Assistance Program (HAP). Current GO bonding authority for HAP is \$92.7 million. Debt service on HAP bonding is paid from the Transportation Fund.

**DISCUSSION:** The HAP provides financial assistance to the state's harbor communities and private entities along the Great Lakes and Mississippi River for projects that maintain or improve waterborne commerce. Port projects typically include dock reconstruction, mooring structure replacement, dredging, the construction of facilities to dispose of dredged material, and facilities to accommodate cruise vessels and ferries.

Currently, HAP funding is not sufficient to meet even the high priority dredging and maintenance needs of the state's commercial ports. Recognizing this, the Transportation Finance and Policy Commission (TFPC), created by 2013 Wisconsin Act 20, recommended increasing funding for the program by \$2.6 million per year. The amount requested reflects the current, non-project specific level of bonding of \$10.7 million plus the TFPC recommended increase.

The HAP is funded by a combination of Transportation Fund supported GO bonding and SEG funding. SEG funding for the program provides approximately \$1.0 million for projects for administrative costs over the biennium. Estimated additional debt service related to this request is \$198,750 in FY 16 and \$838,680 in FY 17.

**Department of Transportation**  
**2015-2017 Biennial Budget Request**  
**STATUTORY MODIFICATIONS**

**DIN:** 5603

**TOPIC:** Increase Bonding Authority for the Harbor Assistance Program (HAP)

**DESCRIPTION OF CHANGE:**

The Department requests an increase of \$15.9 million in General Obligation (GO) bonding authority under s. 20.866(2)(uv), Wis. Stats., for the Harbor Assistance Program (HAP). Current GO bonding authority for HAP is \$92.7 million.

**JUSTIFICATION:**

The HAP provides financial assistance to the state's harbor communities and private entities along the Great Lakes and Mississippi River for projects that maintain or improve waterborne commerce. Port projects typically include dock reconstruction, mooring structure replacement, dredging, the construction of facilities to dispose of dredged material, and facilities to accommodate cruise vessels and ferries.

Currently, HAP funding is not sufficient to meet even the high priority dredging and maintenance needs of the state's commercial ports. Recognizing this, the Transportation Finance and Policy Commission (TFPC), created by 2013 Wisconsin Act 20, recommended increasing funding for the program by \$2.6 million per year. The amount requested reflects the current, non-project specific level of bonding of \$10.7 million plus the TFPC recommended increase.

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 06 DEBT SERVICES  
SP 01 DEBT SERVICES  
NA 662 PRINCIPLE REPAYMENT & INTEREST, BUILDINGS, ST FDS  
ALPH AR PRINCIPLE REPAYMENT & INTEREST, BUILDINGS, ST FDS  
DI 2000 ADJUSTED BASE FUNDING LEVEL

| EXPENDITURE ITEMS |              | CHANGE AUTHOR 1A |               |           |
|-------------------|--------------|------------------|---------------|-----------|
|                   |              | 1ST YEAR COST    | 2ND YEAR COST | TOTAL     |
| 12                | DEBT SERVICE | 26,400.00        | 26,400.00     | 52,800.00 |
| 17                | TOTAL COST   | 26,400.00        | 26,400.00     | 52,800.00 |

**DIN 5601: DEBT SERVICE REESTIMATE**

|                   |              |                |                    |                     |        |
|-------------------|--------------|----------------|--------------------|---------------------|--------|
| DEPARTMENT: 395   | PROGRAM: 06  | SUBPROGRAM: 01 | APPROPRIATION: 662 | DECISION ITEM: 5601 |        |
| EXPENDITURE ITEMS |              |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL  |
| 12                | DEBT SERVICE |                | 500.00             | 300.00-             | 200.00 |
| 17                | TOTAL COST   |                | 500.00             | 300.00-             | 200.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 06 DEBT SERVICES  
SP 01 DEBT SERVICES  
NA 663 PRIN RPMT&INT,SE REHAB,SE MEGA,HI-COST BRIDGES, SF  
ALPH AU PRIN RPMT&INT,SE REHAB,SE MEGA,HI-COST BRIDGES, SF  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |              | CHANGE AUTHOR 1A |               |                |
|-------------------|--------------|------------------|---------------|----------------|
| EXPENDITURE ITEMS |              | 1ST YEAR COST    | 2ND YEAR COST | TOTAL          |
| 12                | DEBT SERVICE | 64,182,100.00    | 64,182,100.00 | 128,364,200.00 |
| 17                | TOTAL COST   | 64,182,100.00    | 64,182,100.00 | 128,364,200.00 |

**DIN 5601: DEBT SERVICE REESTIMATE**

|                 |                   |                |                    |                     |               |
|-----------------|-------------------|----------------|--------------------|---------------------|---------------|
| DEPARTMENT: 395 | PROGRAM: 06       | SUBPROGRAM: 01 | APPROPRIATION: 663 | DECISION ITEM: 5601 |               |
|                 | EXPENDITURE ITEMS |                | 1ST YEAR COST      | 2ND YEAR COST       | TOTAL         |
| 12              | DEBT SERVICE      |                | 25,625,500.00      | 18,936,200.00       | 44,561,700.00 |
| 17              | TOTAL COST        |                | 25,625,500.00      | 18,936,200.00       | 44,561,700.00 |

**DIN 2000**

DEPT 395 TRANSPORTATION, DEPARTMENT OF  
PROG 06 DEBT SERVICES  
SP 01 DEBT SERVICES  
NA 664 PRIN RPMT&INT,LOC RDS,MAJOR HWY&REHAB,SE MEGA,SF  
ALPH AF PRIN RPMT&INT,LOC RDS,MAJOR HWY&REHAB,SE MEGA,SF  
DI 2000 ADJUSTED BASE FUNDING LEVEL

|                   |              | CHANGE AUTHOR 1A |                |                |
|-------------------|--------------|------------------|----------------|----------------|
| EXPENDITURE ITEMS |              | 1ST YEAR COST    | 2ND YEAR COST  | TOTAL          |
| 12                | DEBT SERVICE | 136,280,600.00   | 136,280,600.00 | 272,561,200.00 |
| 17                | TOTAL COST   | 136,280,600.00   | 136,280,600.00 | 272,561,200.00 |

**Department of Transportation  
2015-17 Biennial Budget Request  
Decision Items in Priority Order and Contacts**

| <b><u>Priority</u></b> | <b><u>Description</u></b>                           | <b><u>Decision Item</u></b> | <b><u>Contact</u></b>   |
|------------------------|---|-----------------------------|-------------------------|
| 1                      | Southeast Wisconsin Freeway Megaprojects            | 5301                        | Katherine Miller        |
| 2                      | Local Transportation Facilities Improvement Program | 5202                        | John Etzler             |
| 3                      | Transit Program and Funding                         | 5103                        | John Etzler             |
| 4                      | Transit Capital Assistance Program                  | 5104                        | John Etzler             |
| 5                      | Highway Maintenance and Winter Funding              | 5307                        | Linda Merriman Hitchman |
| 6                      | DMV System Modernization                            | 5504                        | Jay Schad               |
| 7                      | Traffic System Management and Operations Funding    | 5306                        | Linda Merriman Hitchman |
| 8                      | State Patrol Recruit Class                          | 5508                        | John Swissler           |
| 9                      | Supplemental Transit Expansion Program              | 5105                        | John Etzler             |
| 10                     | Highway Program Funding                             | 5302                        | Katherine Miller        |
| 11                     | High-Cost State Bridge Reconstruction               | 5304                        | Katherine Miller        |
| 12                     | Inflation for Elderly and Disabled County Aids      | 5102                        | John Etzler             |
| 12                     | Major Interstate Bridge Construction                | 5305                        | Katherine Miller        |
| 13                     | Funding CY General Transportation Aids              | 5101                        | John Etzler             |
| 13                     | New Revenue Implementation Costs                    | 5505                        | Jay Schad               |
| 14                     | DL/ID Card Issuance                                 | 5502                        | Jay Schad               |
| 15                     | State Patrol Overtime Costs                         | 5509                        | John Swissler           |
| 16                     | TEA Modifications                                   | 5203                        | John Etzler             |
| 17                     | Best Value (CMGC) Pilot                             | 5303                        | Linda Merriman Hitchman |
| 18                     | Capital Building Operational Costs                  | 5402                        | John Swissler           |
| 19                     | State Patrol Radio Replacement                      | 5507                        | John Swissler           |
| 20                     | State Patrol Fleet Costs                            | 5506                        | John Swissler           |
| 21                     | License Plate Replacement                           | 5503                        | Jay Schad               |
| 22                     | Capital Budget Bonding                              | 5406                        | John Swissler           |
| 23                     | FRPP SEG Appropriation                              | 5201                        | John Etzler             |
| 24                     | DMV Postage   | 5501                        | Jay Schad               |
| 25                     | Tolling Feasibility Study                           | 5404                        | Monique Currie          |
| 26                     | MIS Train Station Operations                        | 5405                        | John Swissler           |
| 27                     | State Lift Bridge Funding                           | 5308                        | Linda Merriman Hitchman |
| 28                     | DOT Fleet Costs                                     | 5407                        | John Swissler           |
| 29                     | Transit Safety Oversight Funding                    | 5401                        | John Etzler             |
| 30                     | Additional Bonding Debt Service-Freight Rail        | 5602                        | John Etzler             |
| 31                     | Additional Bonding Debt Service-Harbor              | 5603                        | John Etzler             |
| 32                     | Crash Database Reorganization                       | 6010                        | John Swissler           |
| 33                     | Oversize/Overweight Permitting Reorganization       | 6020                        | Linda Merriman Hitchman |
| 34                     | Traffic Counting Positions                          | 6030                        | John Etzler             |
| 35                     | Federal Funds Reestimates                           | 6001                        | Daniel Yeh              |

## Budget Request Checklist

- Cover Letter Signed by Agency Head
- Decision Item Priority Listing
- Budget Table of Contents
- Program Descriptions/Narratives
- Department Organization Chart (Current)
- Department Budget Summary (*B-7 Form*) - *needed for data entry control*
- Adjusted Base Funding Level B-2 Forms (DIN 2000)
- Standard Budget Adjustment B-2 Forms (DIN 3001-3011)
- New Initiatives/Other Changes from Base (DIN 4000-7999)
- Revenue and Balances Forms/Fund Condition Statements (*B-3 Form*) for PR & SEG
- Department Program and Appropriation Structure Changes (*B-5 & B-6 Forms*)
- Statutory Language Changes (Include copies of drafting request, language or LRB number if submitted prior to September 15, or a list of requested language items with descriptions if on or after September 15.)
- Performance Measures
- Authorized Position Listing (*B-1 Report*)
- All Pages of Budget Request are Numbered.

**Signature of Agency Budget Director:**



**Agency:** WI Department of Transportation

**Department of Transportation  
2015-17 Biennial Budget Request  
Statutory Modification Index**

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